



DEKLEPTIFICATION GUIDE

Seizing Windows of Opportunity
to Roll Back Kleptocratic Structures

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Consultation Draft

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This guidance is a resource for USAID staff working in countries that face kleptocracy and strategic corruption, particularly countries whose courageous citizens open windows of opportunity for reform. It is one component of a suite of anti-corruption policy and programmatic products that contribute to USAID's elevation of anti-corruption and implementation of the U.S. Strategy on Countering Corruption. Those resources will be made available at <https://www.usaid.gov/anti-corruption>.

This publication was prepared by a USAID task team composed of representatives from 30 Missions, Bureaus, and independent offices and chaired by Anti-Corruption Task Force (ACTF) Senior Policy Fellow Josh Rudolph. The team would like to extend its sincere appreciation to those who contributed to the drafting process, including sectoral and bureau colleagues, external experts and practitioners, ACTF staff across all pillars, ACTF Deputy for Policy Abigail Bellows, and ACTF Executive Director Shannon Green.

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SUMMARY

When voters, protestors, and other engaged citizens open windows of opportunity to dismantle kleptocracy—government controlled by officials who use political power to appropriate the wealth of their nation—all too often reform momentum dissipates without durable structural changes within a couple of years, at which point corrupt elements retake power. But over the past two decades, audacious anti-corruption reform movements in countries transitioning away from kleptocracy have met these historic moments and sustained institutional reforms by innovating radically transparent disclosure requirements and strictly independent accountability bodies. Reformers stand up these institutions faster than the traditional pace of anti-corruption development and they scope the transparency and independence more aggressively than standards in countries not suffering from kleptocracy and strategic corruption. USAID was deeply involved in helping these front-line reformers design and implement these powerful tools, ranging from the establishment of public asset declarations and ownership registries to the implementation of specialized institutions empowered to prevent, investigate, prosecute, and judge cases of grand corruption. Based on a series of stocktaking exercises with USAID experts who worked on these efforts at key moments in transitioning countries, this guide collates promising interventions and lessons learned from dekleptification, which is the process of uprooting entrenched kleptocratic structures. The toolkit draws from Ukrainian public transparency, Romanian independent domestic prosecution, Malaysian internationalization of prosecution, Moldovan vetting of judges, Georgian police reform, Dominican procurement warning systems, South African grassroots activism, and more.

Rolling back entrenched kleptocratic structures, networks, and norms is only possible amid windows of overwhelmingly high political will, typically demanded by major segments of society that mobilize to remove kleptocrats from power. While USAID always stands in support of civic actors such as investigative journalists and issue advocates, only after citizens complete a legitimate process of self-determination to pursue dekleptification does USAID rapidly ramp up support in solidarity with reformers. Moreover, aid is delivered in transparent, upright, and even-handed ways that are quite the opposite of covert, coercive, and corrupt interference in democratic processes. The ultimate objective of dekleptification is to help reformist governments deliver upon public anti-corruption mandates by converting windows of opportunity into virtuous circles, whereby the institutions of transparency and accountability become even more effective and popular over time and thus resilient to attempts by foreign and domestic kleptocrats to regain power and undermine reform. While no set of policy recommendations offers a simple recipe to make dekleptification work, front-line reformers supported by USAID have found success in approaches built around windows of opportunity:

- **Before the Window:** Lay the groundwork for future openings by developing rich political analysis of corrupt activity and kleptocratic networks in the country, supporting investigative journalists and civil society advocates who expose corruption and frame public debates, forging consensus about which policy reforms should be prioritized in the future, and preparing flexible aid mechanisms and funding pools that could be redirected and scaled up quickly.

- **During the Window:** Work with the reformist government, civil society actors, the private sector, U.S. interagency partners, and other donors to hit the ground running and show the public results around the delivery of salient services, impartial justice, and systemic reforms. Expose and deter corruption through public transparency mechanisms, which might include requirements that public officials declare their assets, registries of beneficial ownership and politically exposed persons, and improvements in public financial management. That digitized information about who owns what throughout the country and how state resources are being spent should inform investigations by civil society and law enforcement, aided by independent accountability institutions such as specialized anti-corruption bodies and judicial vetting by foreign experts.
- **After the Window:** Understand how and why the window is closing, including whether it takes shape as gradual backsliding, a violent backlash, or some middle ground of corrupt forces undermining reforms at pivotal flashpoints. Hold the increasingly corrupt government accountable with sharper U.S. interventions by using tools such as more forceful public diplomacy, redirection of aid away from the corrupt government and toward the embattled civil society, and sanctions on high-level corrupt officials.

Dekleptification also involves two planning and programming needs that persist in varying forms throughout the cycle of political will. First, employ applied political economy analysis and external assessment tools to map corrupt activity, kleptocratic networks, reform coalitions, and policy priorities. Second, proactively support investigative journalists and civil society activists who expose corruption and push for reform. These change agents are in constant need of connections to peers, protective services, political amplification, flexible and reliable funding, defamation defense, responses to disinformation, and other forms of support.

The Ukrainian people have shown the world that dekleptification can be the most intensive form of anti-corruption, requiring innovation and perseverance. In some countries, the governing capacity and public morale that flow from successful dekleptification are the only way to protect national sovereignty from a larger neighboring kleptocracy.

This forceful and strategic approach to dismantling kleptocratic structures is essential in the modern era of transnational and strategic corruption, threats that pose a major impediment to development, democracy, and security.

STRATEGIC CONTEXT: WINDOWS TO ROLL BACK KLEPTOCRACY AND STRATEGIC CORRUPTION

The global role of autocratic kleptocracy and its interaction with international development have evolved dramatically throughout the second half of USAID's 60-year history.

During the Cold War, authoritarian regimes tried to win over the hearts and minds of the masses with appeals to communist ideology while using military might to project power around the world. Moscow locked its imperial subjects into the fixed geopolitical structures of the Soviet Union and the Warsaw Pact. For the United States, it was often tempting to partner with kleptocrats in what was then called the “third world” to contain communism or work on development.

Despite the return of great power politics and war of imperial conquest, today’s strategic context is fundamentally different. The leading authoritarian regimes have reorganized as kleptocracies, stealing from the masses to buy the loyalty of an inner circle and provide ill-gotten resources to carry out corrupt rule. The advent and proliferation of offshore financial secrecy has lifted limits on the scale, fortitude, and impunity of kleptocracy, no longer constrained by how many assets are available to be bought within countries where the stealing happens or by the risk of falling from power and facing confiscation.¹ And despite authoritarian efforts to carve out subjugated spheres of influence, populations once held captive behind immovable lines like the Iron Curtain now sometimes overthrow repressive kleptocrats and pursue their own independent destinies. This strategic landscape has profound implications for development, national security, and USAID’s work.

Development: Corruption is the ultimate impediment to development in a world where pathways of transnational corruption such as offshore financial secrecy enable kleptocrats to boundlessly loot national resources, scare off foreign investment, deepen inequality, exploit marginalized communities, degrade the environment, and otherwise harm their country’s long-term prospects. The full range of USAID programming objectives—around global health, food security, clean water, gender equality, education, climate, etc.—are stymied when kleptocrats purge state coffers, cronies hide the proceeds of grand corruption and secretly spend it abroad on yachts and mansions, government ministries and state-owned companies are repurposed to line the pockets of insiders, intelligence and police officers moonlight in criminal activity, oligarchs snuff out competition and manipulate the media while buying off judges, domestic networks of corruption interweave with organized crime and foreign kleptocracies, and all these actors work together to thwart reform efforts. The International Monetary Fund (IMF) warns that pervasive corruption can weigh heavily on all drivers of economic growth—capacity to perform state functions, macrostability, investment, human capital accumulation, total factor productivity, and political stability—and hold back development far more than easier-to-measure costs like the \$1.5 to \$2 trillion in annual bribery.² As a simple association to illustrate the apparent potential magnitude, the average income level of the 90 countries ranked among the top half of Transparency International’s Corruption Perceptions Index (i.e., GDP per capita in the half of the world perceived to be less corrupt) is more than 7.5 times as high as income in the 90 countries ranked in the bottom (more corrupt) half.³

¹ See Oliver Bullough, [The Rise of Kleptocracy: The Dark Side of Globalization](#), *Journal of Democracy*, 29, no. 1 (January 2018).

² See IMF Staff, [Corruption: Costs and Mitigating Strategies](#), Washington, D.C., May 2016, pages 5-10.

³ See [Corruption Perceptions Index 2021](#) (Berlin: Transparency International, January 2022), pages 2-3.

National security: The fight against corruption has become a core U.S. national security interest, making partnership with kleptocrats unambiguously inimical to U.S. foreign policy objectives. Instead, the United States stands in support of courageous citizens around the globe who are demanding honest, transparent governance.⁴ For the past three decades, USAID has transparently supported civic actors and promoted institutions that build capacity for governance and democracy in partner countries that welcome the assistance. That stands in direct contrast to strategic corruption and political interference, tactics that covertly violate target countries' sovereignty by tilting playing fields to pick and choose preferred politicians or businesses. The same corrupt actors, networks, tactics, and resources that kleptocrats wield to prevent democracy and rule of law from sprouting in their *home countries* are repurposed as a tenet of their *foreign policy* to undermine democracies through corrosive capital, bribery, malign influence, election interference, and other manifestations of strategic corruption.⁵ Kleptocracies mobilize powerful oligarchs, state-owned companies, intelligence services, and other proxies to pour tens of billions of dollars into corrupt enterprises meant to capture target states, including by propagating disinformation and bankrolling political parties bent upon undermining reform. Contending with such well-resourced efforts to spread corruption and kleptocracy around the world requires a response as strategic, supported, and sophisticated as the threat itself.

USAID's work: USAID's efforts to help countries uproot kleptocracy and build resilience to strategic corruption are based on cutting-edge lessons from front-line reformers around the world, rather than a static set of practices developed over time by Western governments. Moreover, instead of focusing on tracking *cross-border* financial flows or *foreign* tactics of malign influence, dekleptification helps countries that aim to reform their *domestic systems*—criminal liabilities, disclosure regimes, enforcement agencies, judicial systems, civil service, election administration, political parties, criminal networks, citizen participation, media ownership, civic freedom, etc.—that corrupt officials abuse to allow kleptocratic networks to flourish with secrecy and impunity. In addition to clearing the way for local and national level corruption, those domestic vulnerabilities are exploited by foreign powers and their proxies to sow kleptocracy and strategic corruption. Domestic institution-building in areas such as rule of law, democracy, and financial management utilize the core competencies of USAID's experts and partners around the world (see Figure 1). And most importantly, reforming domestic structures or replacing them with new mechanisms and institutions that deliver impartial justice and uphold transparency and accountability in strategically contested countries—the process we call dekleptification (see text box)—represents the set of variables over which the target country can exercise the most sovereign control, under ripe domestic political conditions. The ultimate objective of dekleptification is to achieve a virtuous circle whereby the domestic institutions of transparency and accountability become even more effective and popular over time, producing positive feedback loops that build resilience against the inevitable attempts by foreign and domestic kleptocrats to regain power and restore corrupt systems.⁶

⁴ See President Joseph R. Biden, Jr., [Statement by President Joseph R. Biden, Jr. on the National Security Study Memorandum on the Fight Against Corruption](#), White House Briefing Room, Washington, D.C., June 3, 2021.

⁵ See Josh Rudolph, [The Development Response to Kleptocracy and Strategic Corruption](#) (Washington: The German Marshall Fund's Alliance for Securing Democracy, January 2022), pages 2-8.

⁶ See Daron Acemoglu and James Robinson, [Why Nations Fail: The Origins of Power, Prosperity, and Poverty](#) (United Kingdom: Crown, 2012), pages 302-334.

Figure 1: Map of Where USAID Works

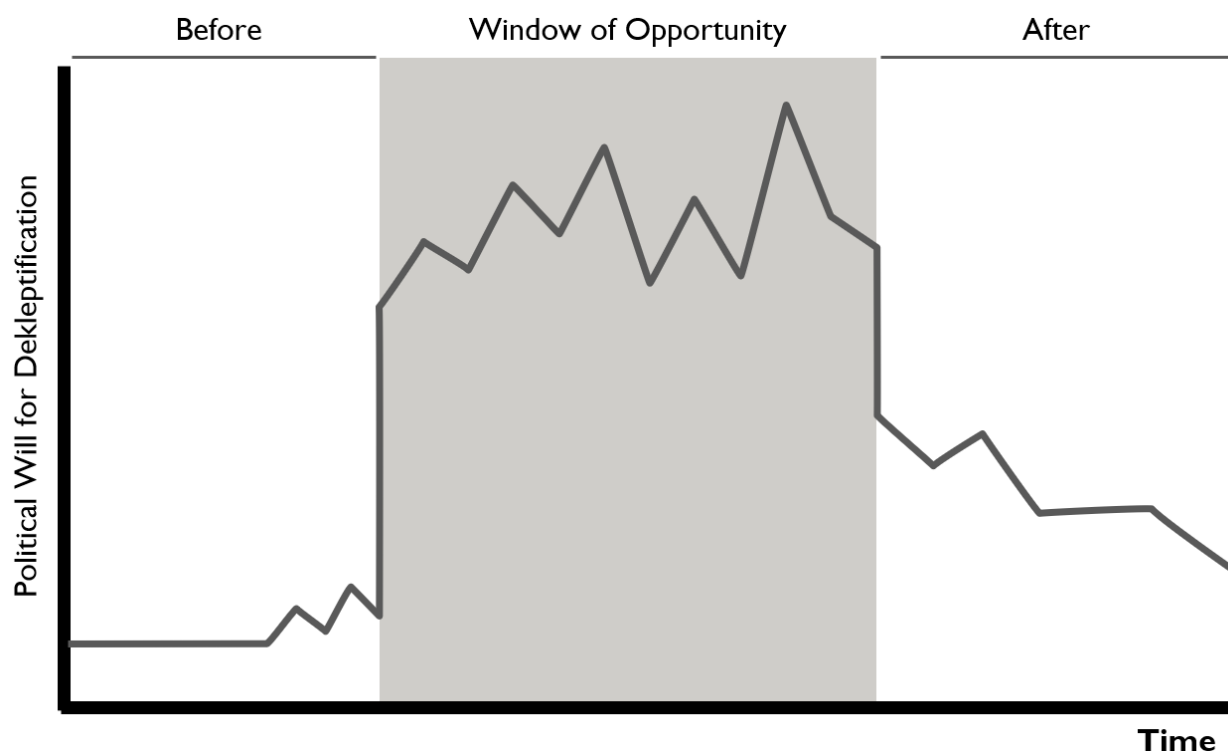


Source: USAID, [Where We Work – Map](#), June 2022.

Corruption Definitions
Grand corruption: when political elites steal large sums of public funds or otherwise abuse power for personal or political advantage.
Administrative corruption: the abuse of entrusted power for private gain—usually by low to mid-level government officials—in interactions with citizens and the private sector, including to skirt official regulations and extort citizens in exchange for their basic services.
Strategic corruption: when a government weaponizes corrupt practices as a tenet of its foreign policy.
Kleptocracy: a government controlled by officials who use political power to appropriate the wealth of their nation.
Dekleptification: the process of dismantling entrenched kleptocratic structures, networks, and norms—and replacing them with transparent, accountable, and responsive institutions—during historic windows of overwhelming popular demand for reform or transition.

Windows of opportunity: Rolling back kleptocratic structures is only possible amid windows of overwhelming political will at the highest levels of power (see Figure 2). Given the immense degree of high-level power needed to uproot kleptocracy, “political will” for dekleptification is not driven by politicians, champions, or any other individual reformers. Rather, windows for dekleptification are ushered in by historic and unmistakable waves of nationwide popular demand, usually fueled by decades of the population toiling under repressive kleptocracy and triggered by some salient betrayal of public trust that brings the aggrieved masses into the streets or to the ballot boxes in record numbers. The window typically opens after citizens take down their kleptocratic regime and vest high expectations in a new reformist government. No set of policy recommendations will meaningfully help generate and sustain a virtuous circle toward inclusive institutions absent this political context of a very broad coalition of societal constituencies successfully checking the power of elites by insisting on a new social contract with less tolerance for kleptocracy.⁷ Such potential openings do occur regularly, as demonstrated by half of the record number of protests around the world in the year before the outbreak of Covid-19—with six of those protest movements leading to changes in government—being driven by grievances about corruption. In fact, the eventual tendency to fuel organic uprisings by subjugated populations is the Achilles’ heel of kleptocrats’ modern strategy of dominion via strategic corruption. The ability of brave citizens around the world to hold their leaders accountable and demand fair and transparent governance marks a key distinction between contemporary trends and the rigid geopolitical structures of the Cold War.

⁷ See Daron Acemoglu and James Robinson, [*Why Nations Fail: The Origins of Power, Prosperity, and Poverty*](#) (United Kingdom: Crown, 2012), pages 312-317, 332-334, and 436-437. The critical issues to be agreed upon in the social contract are who governs whom, by what means, within what limits, and by what justification. See Alina Mungiu-Pippidi and Michael Johnston, [*Transitions to Good Governance: Creating Virtuous Circles of Anti-corruption*](#) (United Kingdom: Edward Elgar Publishing Limited, 2017), pages 2-4 and 252-254.

Figure 2: Windows of Opportunity for Dekleptification

Unfortunately, the usual pattern is for windows of opportunity to be short-lived and disappointing, failing to meet high public expectations and fizzling out within about two years, at which point corrupt elements retake the levers of power and sometimes exact retribution upon reformers. The difficulty of converting a window into a sustained virtuous circle is driven by various factors, from civil society actors demobilizing as if their job is done as soon as the window opens to transnational and strategic corruption offering opponents of reform safe haven and substantial resources that help them close windows as soon as possible.⁸ Another important reason is that dekleptification efforts tend to get out of the gate slowly, because both the new reformist government and international development practitioners in a country that has long suffered under kleptocracy have limited experience working within that country to thoroughly uproot corrupt power structures. While this programming guide is designed to help Missions before, during, or after windows of opportunity, it is organized around ways that Missions can hit the ground running as soon as an opening occurs and help the new government utilize the window to deliver results and sustain efforts for many years to come.

PURPOSE: DRAWING LESSONS FROM THE FRONT LINES

Thankfully, when pursuing programs to work on windows of opportunity for dekleptification, USAID Missions need to neither start from scratch nor follow the lead of Washington. Too often, prescriptions

⁸ See Abigail Bellows, [Bridging the Elite-Grassroots Divide Among Anticorruption Activists](#) (Washington: The Carnegie Endowment for International Peace, January 2020).

of “best practices” to be shared with transitioning countries risk coming from Western countries that themselves developed over centuries and lack modern experience in rapidly uprooting kleptocratic structures within their own countries. Instead, the cutting-edge playbook for dekleptification comes from those who have recently attempted it, including—but not limited to—a handful of front-line transitioning democracies in the former Soviet bloc.

Eastern European reformers learning from each other: From 2004 to 2012, Georgia pursued far-reaching reform of the public sector, from cutting red tape and right-sizing public institutions to rewriting tax laws and improving public services, which resulted in a dramatic reduction in bribery.⁹ Between 2004 and 2018, Romania aggressively innovated independent approaches to impartial justice, building a specialized anti-corruption enforcement system that jailed thousands of corrupt officials, including dozens of ministers, prime ministers, lawmakers, mayors, and generals.¹⁰ Those windows in Georgia and Romania, respectively lasting eight and fourteen years, inspired Ukrainian reformers when their own window opened in 2014, preparing Ukraine to quickly enact comprehensive reforms and develop several revolutionary transparency tools, like the world’s first public beneficial ownership registry, the world’s most transparent public procurement system, the world’s first public database of politically exposed persons, and the world’s most comprehensive and well-enforced asset declarations (see text box).¹¹ The overarching two-part dekleptification strategy, most clearly modeled by Ukraine (see Annex 1), is to first *publicly disclose* as much digitized information as possible about who owns what throughout the country’s political-economic system, and secondly position civil society and independent enforcement agencies to use that transparent data to investigate and hold corrupt actors *accountable*.¹² This cutting-edge model is now being pursued by reformers operating in windows that have opened within the past year in Moldova and Bulgaria.

Asset Declarations

As an example of how radically transparent mechanisms innovated by front-line reformers exceed Western “best practices,” consider asset declarations by public officials. In most Western countries, financial disclosure forms are relatively narrow in their scope and in their enforcement procedures, meant to identify potential conflicts of interest (such as holdings of stocks and bonds that could benefit from official actions). In Ukraine, by contrast, disclosures are sweeping in scope and aggressively

⁹ See Alexander Kupatadze, Alina Mungiu-Pippidi, and Michael Johnston, [Transitions to Good Governance: Creating Virtuous Circles of Anti-corruption](#) (United Kingdom: Edward Elgar Publishing Limited, 2017), pages 80-101.

¹⁰ See Alina Mungiu-Pippidi and Michael Johnston, [Transitions to Good Governance: Creating Virtuous Circles of Anti-corruption](#) (United Kingdom: Edward Elgar Publishing Limited, 2017), page 17.

¹¹ See Corruption Risk Forecast, [TransparencyIndex](#), a collaboration between CIPE, ACGC, and ERCAS, accessed June 14, 2022; Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 10-14.

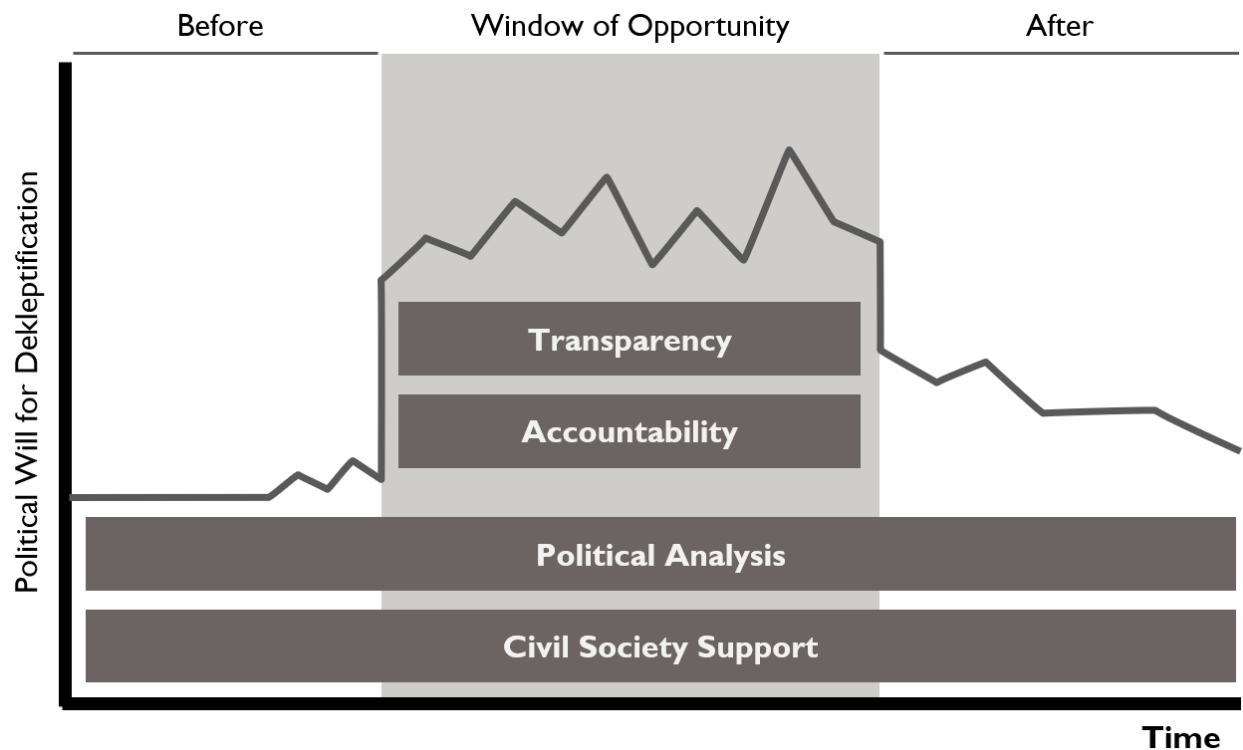
¹² See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), pages 5-6.

enforced to spot crimes of illicit enrichment. Failures to file truthfully are severely punished, while disclosures cover essentially all assets worth more than \$4,200 that the individual ultimately owns or has access to. Then these electronic submissions become public and independent agencies verify the data and investigate and prosecute discrepancies between declarations and lifestyles. While this aggressive approach can test the boundaries of personal privacy, the Ukrainians have found that it is needed to prevent illicit enrichment and root out pervasive and entrenched kleptocratic networks.

Case method: USAID Missions have been deeply involved in reform efforts across these five country situations—Georgia 2004-2012, Romania 2004-2018, Ukraine 2014-present, Moldova 2021-present, and Bulgaria 2021-present—and other attempts at dekleptification around the world. In order to capture this set of experiences and make it available to other Missions, this programming guide is informed by a series of internal stocktaking exercises that drew lessons learned—about what worked well, how corrupt elements responded, what needs of partners were unmet, what challenges donors faced when trying to do more sooner, and so on—from USAID experts who worked on the ground on those cases, as well as windows of opportunity in Guatemala 2015-2017, South Africa 2018-2019, Malaysia 2018-2020, the Dominican Republic 2020-present, and Zambia 2021-present. These cases are set in a modern context of transnational corruption and kleptocratic influence that makes initiating and sustaining a virtuous circle of anti-corruption more challenging than transitions away from grand corruption in other times and places, like South Korea, Chile, and Estonia in the 1990s.¹³

Audience: This guide addresses USAID Missions and implementing partners who work in countries contending with kleptocracy. It is meant to convey lessons from colleagues with experience confronting similar challenges in other front-line countries. But it also speaks to the broader communities of scholars, practitioners, donors, and other experts focused on development, rapid response, and counter kleptocracy—illustrating for the first time how these fields overlap in ways that are grounded in both modern empirical lessons and academic theory about virtuous circles of anti-corruption. In addition to identifying radically transparent and independent institutions that have proven effective during windows—which is when the vast majority of impact can be had, and thus resources should be aligned accordingly—this guide provides lessons learned about how to prepare for windows, take advantage of openings, and defend gains after windows close. But first, the guide starts with a section about two needs that persist in varying forms throughout the cycle of political will: political analysis and civil society support (see Figure 3).

¹³ See Alina Mungiu-Pippidi and Michael Johnston, [*Transitions to Good Governance: Creating Virtuous Circles of Anti-corruption*](#) (United Kingdom: Edward Elgar Publishing Limited, 2017), pages 2-4, 102-158, and 213-233.

Figure 3: Activities to Undertake Before, During, and After Windows for Dekleptification

CONSTANT NEEDS THROUGHOUT THE CYCLE: POLITICAL ANALYSIS AND CIVIL SOCIETY SUPPORT

While the form and severity of needs will vary greatly depending on whether a country is in a window of opportunity, among other local factors, two broad activities should be prioritized across all phases of dekleptification: conducting political analysis and protecting civil society.

Focus political analysis on corrupt activity and networks

The starting point for well-targeted dekleptification is thorough understanding of how corruption operates locally and transnationally. Missions need to know *how* to conduct various types of analysis, *what* issues analysis should cover, and *when* to conduct it.

How: Assessments can vary on several dimensions—undertaken internally by USAID or externally through partners, scoped on the entire country or a narrow sector, and timed before, during, or after a window of opportunity—but they should all produce timely reports and visual schematics:

- **Internal or external expertise:** Missions can access the DRG Center’s internal assessment tools and analytic resources or Missions can commission assessments to be conducted by external analysts.
 - *Internal political economy analysis (PEA):* PEA is USAID’s analytical approach to understanding the underlying reasons why things work the way they do and identify the

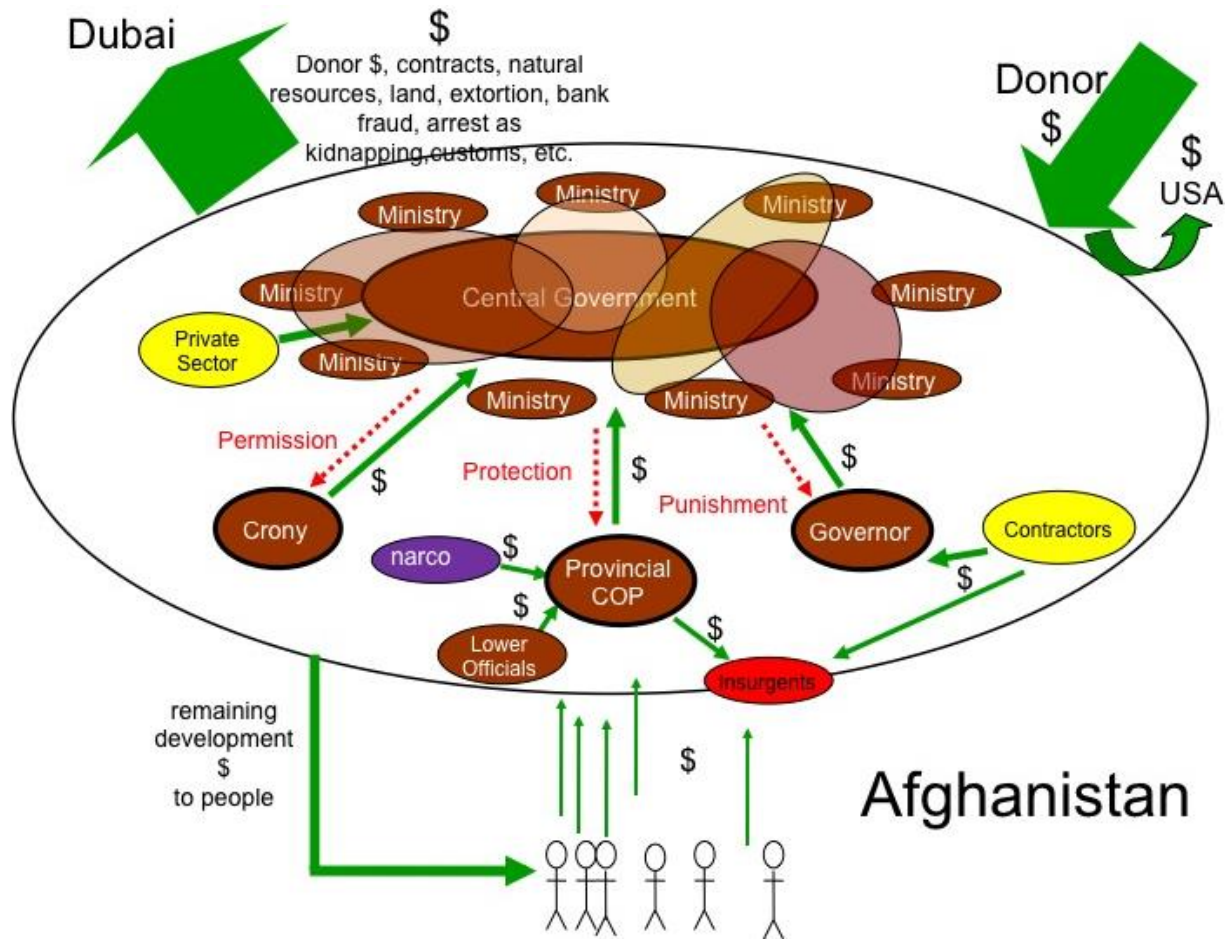
incentives and constraints that lie behind the behavior of actors in a relevant system. By helping identify these influences—political, economic, social and cultural—PEA supports a more politically informed approach to sustainable development known as “thinking and working politically” (TWP). Through TWP, USAID seeks to better understand the systems where we work and to identify sustainable, locally generated solutions. USAID has a field guide to applied PEA which describes the methodology for conducting a field assessment.¹⁴ While PEA as an approach can be used in any area, it can be particularly useful for dekleptification as it can support more granularity around why a kleptocratic system perpetuates, through which logics, and which stakeholders might have leverage over it. Note that PEAs proceed largely through qualitative field work, and cannot discover secret or hidden information, but a surprising amount about patterns of corruption is routinely shared by various interviewees. Missions can inquire about a PEA by contacting the Cross-Sectoral Programs Division at ddi.drg.pci@usaid.gov.

- *External assessments:* Missions can bring in outside implementers who might range from international journalism organizations with rich investigative and analytical capacities to local anti-corruption researchers and advocates with deep contextual knowledge. Key will be to work with experts who already have considerable experience mapping kleptocratic networks in a given country and are prepared to collect and assemble real-time, empirical, and actionable evidence—not just academic frameworks—within 30-90 days. As a comparable example, the National Democratic Institute engages with local and international researchers to adapt and apply its post-kleptocratic transition assessment framework aimed at analyzing lingering kleptocratic networks and prioritizing strategies for dismantling them.¹⁵ External assessments could potentially be procured through USAID’s Anti-Corruption Response Fund announced at the 2021 Summit for Democracy.
- **Detailed report with visual schematics:** The output could be a 25-30 page report informed by extensive personal interviews, a literature review, and desk research based on official disclosures, financial records, open source intelligence, and other sources of evidence. It should include visual depictions of the kleptocratic network (see Figure 4). If the report is made public, it could also include a non-public annex with sensitive findings. Confidentiality is critically important when analyzing dangerous kleptocratic networks, both to protect the security of those involved in the assessment and to avoid tipping off perpetrators about information that could be useful for official investigations.

¹⁴ USAID’s Center of Excellence on Democracy, Human Rights and Governance, [Thinking and Working Politically \(TWP\) through Applied Political Economy Analysis \(PEA\) -- Guide and Supporting Materials](#), Washington, D.C., June 2018.

¹⁵ See Chayes, Sarah, “Assessment Framework for Post-Kleptocratic Transitions,” National Democratic Institute, Washington, D.C., (forthcoming); National Democratic Institute, [Consultancy: Conduct Anti-Corruption Assessment in Zambia](#), Washington, D.C., January 2022.

Figure 4: Illustrative Schematic Depicting the Kleptocratic Network in Afghanistan



Source: Sarah Chayes, [Thieves of State: Why Corruption Threatens Global Security](#) (United States: W. W. Norton, 2015), page 213.

- Broad or narrow in scope:** Assessments could broadly cover the high-level and pervasive kleptocratic structures that dominate a nation's political economy (such as oligarchies that capture post-Soviet states), or they could be targeted toward a particular sector that is believed to suffer from severe corruption or is the subject of substantial USAID programming (such as natural resources or health supply chains in Africa). The scope could change over time in response to either research findings around where corruption is concentrated or developments on the ground such as the opening or closing of a window.

What: Whereas development studies often jump right to rich technocratic reviews of legal and policy gaps in a country's institutional framework, dekleptification assessments should start by focusing on the most problematic corrupt actors and behaviors in this particular country, the underlying networks through which they operate, and the reform coalitions and policy priorities that would be key to opening and utilizing windows of opportunity. That is, assessments should cover corrupt activity, kleptocratic networks, reform coalitions, and policy priorities:

- Identify corrupt activity, actors, and syndromes.** Assessments should identify a country's dominant syndromes of corruption which could include administrative corruption, state capture,

strategic corruption, cronyism, plutocracy, oligarchy, kleptocracy, or other syndromes. Assessments should describe both high-level power structures and the most salient ways in which ordinary citizens experience corruption in their everyday lives. But more than just academic or generalized frameworks, assessments should also name the most corrupt and powerful individuals, institutions, and sectors, with some of these sensitive details potentially delivered in a non-public annex. Assessments should also describe the practices through which corrupt enterprises operate with impunity, the history of how they obtained control over public and private institutions, estimates of who can and cannot be turned to the side of integrity, and key actors' vulnerabilities and exposures.

- **Map kleptocratic networks.** After the downfall of a kleptocrat and his family, the need for personal accountability must be supplemented by reform efforts that dig beneath the specific scandals to also address the underlying kleptocratic structures. As such, assessments must avoid the temptation to personify corruption in the form of a scapegoat. They should instead map out deeply entrenched networks of public and private sector perpetrators, enablers, revenue streams, and other kleptocratic structures, practices, and actors who could spoil reform efforts and recapture the levers of power in the future. The relevant actors could potentially span: government officials, their families and cronies, key ministries, political parties, foreign powers, criminal groups, private entities, professional facilitators, non-profit enablers, interest groups such as labor or religious institutions, and others. The flows of money and power among such actors could include: captured sectors and revenue streams, patronage flows and money laundering, investment destinations for ill-gotten gains, off-book campaign contributions or kickbacks, corrupt services such as protection from accountability or permission to loot, and methods of punishing disloyal elements or perceived opponents such as through the abuse of law enforcement. Finally, assessments should draw policy lessons from the network mapping by identifying legal-institutional weaknesses exploited by corrupt actors to retain control and impunity.
- **Map reform coalitions.** Political analysis should map the landscape of actors sympathetic to reform—including but also extending beyond elite anti-corruption NGOs based in the capital city. Political analysis should analyze a given country to assess which existing networks and broader sources of social capital offer the greatest potential to mobilize against corruption, link it to citizens' grievances, and drive resilient change. Depending on the country, the key constituencies may include religious, ethnic, labor, business (from major companies and executives to associations of professionals), social (health, education, gender, environmental, recreational, etc.), or other groups. In addition to assessing the prospects of these groups organizing and opening a window, political analysis should seek to understand how corruption most saliently appears in the lives of these constituencies and everyday citizens.
- **Prioritize policy reforms.** Finally, there is a role for political analysis to identify policy reforms that should be prioritized in a given country, depending on local factors such as commonly exploited gaps in the existing legal-institutional framework (compared to systems that have worked well to uproot kleptocratic power structure in similar situations elsewhere) and evidence about the cases or forms of corruption that are most salient to everyday citizens as

well as reforms that are immediately achievable. This may require working on dual tracks with thoughtful sequencing, including both *quick wins* to help sustain the window and *longer-term* reforms that are less visible but very important. In addition to requiring legal-institutional analysis and polling data, this assessment should involve collaboration with local change agents and international experts. If done collaboratively, this analytic process can help forge consensus about a small number of anti-corruption priorities that will make crucial systemic changes and secure domestic buy-in. Such consensus should be sought within civil society (across both traditional NGOs and grassroots movements), between civic actors and allies in government, and between domestic actors and international supporters, who can press on those priorities and provide corresponding technical assistance as needed. An approach like this helped Ukraine hit the ground running in 2014 with its Reanimation Package of Reforms, supported by USAID.¹⁶ More recently, Moldova and Bulgaria have established anti-corruption committees to identify policy priorities to be pursued in newly opened windows.

When: Political analysis is most actionable around the time when a window of opportunity opens. An assessment could be particularly timely either some months before a contested election that could take down a kleptocrat or soon after a corrupt regime is replaced by reformers who enjoy broad public support but limited governing experience. But political analysis is needed constantly throughout the cycle of political will, with its focal questions shifting in accordance with the political context before, during, and after windows of opportunity.

- **Before:** Assessments undertaken before any major window has opened could pay particular attention to societal constituencies for and against reform, likely entry points for tackling corruption, ways corrupt incumbents abuse state resources to repress opponents or tilt election processes in their favor, the extent to which foreign powers are engaged in strategic corruption, challenges that could endanger any transition of power, and a preliminary assessment of what a future reform and accountability roadmap might entail.
- **During:** Assessments undertaken after a window has opened could get more granular around how to prioritize, structure, and sequence transparency and accountability measures, while continuing to monitor and analyze efforts by corrupt elements to evade justice, thwart reform efforts, co-opt reform allies, weaponize institutions of residual power, threaten and smear reformers, seek safe harbor and other support from foreign powers, and close the window of opportunity.
- **After:** If and when windows close and corrupt interests return to power, political analysis can understand how and why anti-reform elements are regaining power while informing sharper U.S. interventions—like freezes in assistance to the increasingly corrupt government, more forceful public diplomacy, and sanctions on high-level corrupt officials—that could be helpful to defend reform gains and hold the regime accountable.

¹⁶ See “[About Us](#),” Reanimation Package of Reforms, accessed February 18, 2022.

Protect civil society actors who expose corruption and drive change

While civil society plays important roles across all sectors of development, they are particularly vital in anti-corruption. This is because corruption involves inappropriate dealings between the public and private sectors, leaving the “third sector” as watchdogs. This includes investigative journalists and anti-corruption advocates who expose corruption and push for lasting changes, grassroots movements that mobilize “people power,” and coalitions of patients, parents, students, workers, customers, worshipers, and others with social influence.

Missions should partner with civil society actors who are the crucial eyes and ears of reform movements. Even in closed spaces, there are local experts who actively monitor autocratic efforts and kleptocratic networks, whether or not they are formally organized as anti-corruption activists or employed by media outlets and NGOs. All societies have a cadre of professionals, including business executives and government officials, who see corruption and yearn for reform, whether or not they are empowered to openly serve as champions. They are often the first to know which officials are the most corrupt, which institutions are fronts for corrupt networks, who really works for whom, which anti-corruption champions are genuine and powerful, and more. Most observers also tend to be wedded to their particular professional perspective, so a diversity of sources is needed. Because USAID missions are often more integrated into social networks on the ground than any other part of the U.S. government, they are well-placed to bring the perspectives of local civil society into the U.S. government process of developing political analysis of corrupt activity. They can also highlight stories of integrity champions and work with them to tell their stories through media and other channels to demonstrate how corruption can be overcome.

Input from civil society, champions in business and government, and other local experts can also be essential to designing, implementing, and defending institutional reforms. They often have the most detailed knowledge of how schemes of grand corruption are structured, which policy loopholes are most easily exploited, when local politics do or don’t align to push for stronger measures, which ministries have strong capabilities for implementation and enforcement, which institutions and actors are compromised by patronage networks, which parliamentary factions will try to thwart reforms and how, which legislative amendments are Trojan horses to sabotage reform, which reform champions are incorruptible and when they are in the crosshairs of corrupt elements, and more.

Most importantly, media and civil society open and sustain windows of opportunity by exposing corrupt activity and channeling public energy into lasting changes. While the windows are open, a top priority is to institutionalize radically transparent mechanisms that fuel investigative reporting, including asset declarations, ownership registries, politically exposed persons (PEP) databases, and transparency systems of public finance. But at all times—window or not—USAID programming should be geared toward investing in independent journalism and protecting the ability of civil society actors to do their work.

Missions should have close and trusted relationships with civil society reformers, know their international support needs, play matchmaker between them and international partners (within the U.S. government, other donors and multilateral bodies, and the many networks and services supported by or known to the U.S. government), and work with anti-corruption experts at USAID and State to identify programming and other interventions that support change agents. This includes seven forms of support:

- **Connections to peers:** Particularly in countries that have long suffered repressive kleptocracy and may be finally opening up space for civil society, reformers need assistance plugging into alliances and coalitions of peers, including trustworthy spaces and valuable platforms where they can learn from experts and activists who have worked on dekleptification elsewhere, build informal relationships with fellow reformers across organizations and sectors, develop skills and utilize tools that have proven effective, recruit influencers to tell the country's story and draw attention to threats, pursue flexible and regular forms of funding, and take collaborative actions to expose corruption and push for reform and accountability. Missions could sponsor study visits to other countries or host regular networking convenings to foster exchanges and coordinate strategies across NGOs, political parties, government officials, international donors, and reformers in other countries. Supporting global and regional anti-corruption networks is a primary objective of USAID's Empowering Anti-Corruption Change Agents Program announced at the 2021 Summit for Democracy. At the summit, State-DRL announced that it will provide up to \$6 million to enhance the work of the Global Anti-Corruption Consortium, which links together the journalists of the Organized Crime and Corruption Reporting Project (OCCRP) with the advocates at Transparency International.
- **Protective services:** Kleptocrats, oligarchs, and related intelligence services have the resources, disposition, and motive to smear, harass, intimidate, compromise, and harm civil society actors who work to expose their corrupt activity. Anti-corruption activists, whistleblowers, and reporters will at times need quick access to specialized security services that provide digital, physical, psychological, and other forms of safety, as well as connections to international consultants, human rights watchdogs, and other organizations that help raise public awareness, provide legal aid, and offer other forms of support. Missions should set up infrastructure to provide that full array of protective services during a window of opportunity, both for usage amid the window and to be ready to support even greater needs in the event that a violent backlash slams the window shut. Building out that protective ecosystem is the other major objective of USAID's new Empowering Anti-Corruption Change Agents Program. In addition to those forms of assistance, civil society actors also sometimes require political support (expressed through public and private channels), and as a last resort, the ability to flee the country. State-DRL helps civil society get access to those kinds of U.S. government support mechanisms. State also announced at the 2021 Summit for Democracy that it will provide up to \$3.5 million to establish a Journalism Protection Platform and that the U.S. government will increase its engagement with the Media Freedom Coalition.
- **Political amplification:** For the messages of civil society to be heard and taken seriously, they often need to be voiced by powerful leaders, diplomats, embassies, and multilateral groupings

around the world. When appropriate, Missions could operate as intermediaries to convey the substance of concerns by local anti-corruption reformers to salient platforms in the U.S. government and international community. That should include private and public channels to respond to threats rapidly and with a united voice. For example, when USAID-supported activists in Kyiv have seen the government failing to deliver on the spirit of its commitments — such as by allowing a corruptible figure to become head of an independent anti-corruption enforcement agency—they have relayed warnings to their informal contacts among the Mission team and the State Department, who can then quickly arrange for high-level phone calls from U.S. government leaders or joint public statements by the G7 Ambassadors Reform Support Group in Kyiv (@G7AmbReformUA on Twitter).

- **Flexible and reliable funding and project structures:** The highly fluid and political nature of dekleptification means that civil society actors need considerable flexibility at critical junctures to pivot resource allocations and project objectives toward newly topical issues. They also need consistent resources that can be counted upon even as objectives shift before, during, and after windows, which in turn requires strong relationships and trust with funders. It is often impossible to predict which issues will galvanize broad public support and how corrupt actors will respond, so civil society needs the flexibility to adapt rapidly when openings occur, rather than remaining locked into multi-year programming objectives with specific deliverables that are no longer highly relevant on that country's front lines of dekleptification. Adaptability is also served by empowering local actors, as their political awareness and informal networks on the ground are critical to rapidly responsive programming.¹⁷ One way USAID Missions introduce flexibility into procurement contracts is through a crisis modifier clause in the award instrument. Missions can also buy into flexible mechanisms administered by USAID's Center for Democracy, Rights and Governance (DRG), like the Enabling and Protecting Civic Space (EPCS) – Illuminating New Solutions and Programmatic Innovations for Resilient Spaces (INSPIRES) project.¹⁸ Missions should also explore parallel, matching, or joint funding mechanisms with other donors, seeking a middle ground between full coordination (which can be too burdensome and cumbersome for dekleptification) and no coordination (which risks missing opportunities or even working at cross purposes).¹⁹
- **Defamation defense:** Oligarchs and other subjects of reporting on corruption often try to silence journalists by suing them and their publishers. At the 2021 Summit for Democracy, USAID launched a global *Defamation Defense Fund* to provide insurance to cover the cost of defending journalists and media organizations against lawsuits that are designed to deter them from doing their work. USAID plans to provide up to \$9 million in seed funding for a new economically

¹⁷ See USAID Administrator Samantha Power, "[Administrator Samantha Power on a New Vision for Global Development](#)," remarks given at Georgetown University, Washington, DC, November 4, 2021.

¹⁸ See Internews, [Illuminating New Solutions and Programmatic Innovations for Resilient Spaces](#) (Washington: 2022).

¹⁹ See Florencia Guertzovich, María Soledad Gattoni, and Dave Algosio, [Seeing New Opportunities: How Global Actors Can Better Support Anticorruption Reformers](#) (London: Open Society Foundations, November 2020), page 10.

viable nonprofit insurance entity called “Reporter’s Mutual.” The nonprofit entity will provide liability coverage at modest cost to journalists who seek protection from strategic litigation against public participation (SLAPP) and/or meritless libel or defamation lawsuits.

- **Investments in investigative journalism:** USAID has extensive experience supporting investigative journalism, both in individual countries from Mexico to Indonesia and through regional initiatives, including one dedicated to the Americas and one spanning the Balkans, Western Eurasia, and the Caucasus. Funders of the OCCRP include USAID, State-DRL, and the National Endowment for Democracy. State-DRL also supports tools to help journalists to expose corruption in specific countries, such as by creating a searchable public database of Ukrainian asset declarations or similarly facilitating the monitoring of public procurement platforms in Moldova. Multiple new programs announced by USAID at the 2021 Summit for Democracy look to expand efforts to both under-invested regions like Africa and priority countries such as those undertaking dekleptification. USAID also announced plans at the summit to invest up to \$30 million in the new International Fund for Public Interest Media and provide \$5 million to launch a Media Viability Accelerator.
- **Responses to disinformation:** One of the main ways foreign kleptocracies and domestic oligarchs try to derail dekleptification is by propagating anti-Western and anti-reform disinformation. The main objective is to close the window of opportunity by convincing the local population that they have no say in domestic state-building because—it is claimed without any evidence—their elected representatives and civil society actors secretly serve as puppets of the U.S. government, the IMF, and others. Such false narratives are powerful and must be corrected swiftly by conveying verifiable facts over popular mediums. Anti-corruption reformers are also personally targeted by disinformation and could use bespoke services advising them on how to respond and providing resources to do so. As part of either a standalone media program or integrated into larger governance programming, USAID’s DRG Center (which also brings in data from the State Department’s Public Affairs Section, Bureau of Intelligence and Research, and Global Engagement Center) can conduct a diagnostic assessment of a country’s information environment, which would survey disinformation threats, trace its sources and purveyors, identify local allies, and recommend resilience gaps to be filled.²⁰ Among other types of programming, USAID, State-DRL, and the National Endowment for Democracy have supported fact-checking NGO initiatives such as and Fact-a-lyzer and the Media Development Foundation in Georgia, RaskRIKavanje in Serbia, Chequeado in Latin America, VoxUkraine, and more.²¹ Beyond fact checking, think tank programs such as the Atlantic Council’s Digital Forensic Research Lab and the German Marshall Fund’s Alliance for Securing Democracy provide more systematic forensic analysis, such as a dashboard tracking information manipulation in the 2021 German election that exposed expansive operations by RT Deutsch to tarnish German Covid-19 vaccines and the candidacy of Annalena Baerbock.²² In Ukraine, USAID has several programs

²⁰ See DRG Center, [Disinformation Primer](#) (Washington: USAID, February 2021), pages 59-60.

²¹ See DRG Center, [Disinformation Primer](#) (Washington: USAID, February 2021), pages 70-71.

²² See The German Marshall Fund’s Alliance for Securing Democracy, [2021 German Elections Project](#) (Washington: 2021).

geared toward both supporting the broader environment of media literacy and speech rights and communicating facts to key audiences about specific issues (anti-corruption, European integration, malign Russian influence, etc.).²³ While Ukraine's most popular news channels are owned by oligarchs (whose interests can be endangered by reform), those oligarchs also have active business ties in the West, so USAID and its partners have had sufficient leverage to appear on these channels to communicate reform messages.²⁴

BEFORE THE WINDOW: LAYING THE GROUNDWORK FOR FUTURE OPENINGS

For Missions working in kleptocracies—or in democracies that have severely regressed into cronyism and state capture—that are not yet experiencing a political opening for thorough dekleptification reform, there are essential programming options to lay the groundwork for a future window of opportunity. Because most reforms take place within the first year or two of a window, policy proposals and reform constituencies must be formed over years. Partners need the latitude to build ideas, coalitions, and other infrastructure without necessarily expecting a payoff within the funding evaluation cycle.²⁵ Key objectives should be to develop a detailed picture of corrupt activity in the country, support the space available for civil society to expose corruption, forge consensus about which dekleptification reforms should be prioritized, and prepare flexible mechanisms and funding that can be redirected and scaled up quickly in the future.

- **Conduct political analysis:** Political analysis should take an evidence-based approach to mapping major corrupt activity and the most exploited vulnerabilities in order to understand the prospects for major reforms and prepare well-targeted assistance so that it is ready for delivery as soon as the window opens, as discussed in the previous section. To the extent that the country is approaching what could be a free and fair election, political analyses and associated planning should be non-public in order to avoid even the perception of potentially interfering in local politics. As appropriate in other situations, political analysis can also feed into sanctions and law enforcement activities. In any case, Missions should set up an interagency team that regularly shares information and analysis while preparing contingency plans to support democratic processes and be ready to seize upon future windows of opportunity.
- **Invest in, connect, and protect civil society:** Missions should maintain close relationships and active programming both with the leading anti-corruption activists and other reform stakeholders within the country and with the anti-corruption experts at USAID and State who can connect them with the networks and support services reviewed in the previous section. Missions can support coalition-building among civic actors to help them converge on a common

²³ See USAID, [Our Work in Ukraine: Democracy, Human Rights and Governance](#), June 2022; USAID, [Our Work in Ukraine: Democracy, Human Rights and Governance](#), Archived Content: June 2012 to September 2017.

²⁴ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 29.

²⁵ See Rachel Kleinfeld, [Improving Development Aid Design and Evaluation: Plan for Sailboats, Not Trains](#) (Washington: The Carnegie Endowment for International Peace, 2015).

anti-corruption agenda, build partnerships between NGOs and private sector allies (e.g., between small and medium enterprises and foreign corporations), engage with religious, ethnic, labor, and social groups, and invest in independent media and investigative journalism (see text box). Beyond journalism, NGOs dedicated to research and advocacy around human rights and anti-corruption can provide shelter for reformers who might someday take power. For example, the Tbilisi-based Liberty Institute was founded in 1996 by several young reformers who would become top government officials seven years later after the Rose Revolution. The long-cultivated ideological cohesiveness of this core group of reformers was essential for the new government to hit the ground running when the window opened in Georgia.²⁶ That case illustrates the importance of longstanding personal relationships when a window opens and reformers take on new roles, although such connections also bear fruit before the window, when reformers need collaborative spaces to share information and analysis, plan coordinated actions, and provide mutual care. Missions can support personal connections by providing dedicated programming, playing matchmaker to global networks, and hosting convenings among reformers in the country (including making connections across civil society, media, the private sector, government, and more).²⁷

Moldovan independent media

Seven years before the current window opened in Moldova, State-DRL supported the launch of RISE Moldova, a media outlet that quickly became a leading member of the OCCRP, named Moldovan figures linked to major offshore leaks, and revealed then-president Igor Dodon's connections to the Russian government. Meanwhile, USAID funded MEDIA-M, an expansive project in Moldova implemented by Internews, Freedom House, and the Independent Journalism Center-Moldova to provide grants and technical assistance to independent media, support media literacy activities, improve the enabling legal and regulatory environment for independent media, and more.

See Internews, [2021 Annual Narrative Report](#) (United States: May 2021).

- **Build connections with broader anti-corruption constituencies:** In order to support the anti-corruption civil society and be prepared to work with reformers in future windows of opportunity, Missions should develop close relationships with the broad societal actors — religious, ethnic, labor, business, social, etc. — whose mobilization would be paramount to a political opening. Compared to civic NGOs that tend to be located in the capital city and dedicated to seemingly abstract public goods such as good governance for all, broader societal

²⁶ See Alexander Kupatadze, Alina Mungiu-Pippidi, and Michael Johnston, [Transitions to Good Governance: Creating Virtuous Circles of Anti-corruption](#) (United Kingdom: Edward Elgar Publishing Limited, 2017), page 88.

²⁷ See Florencia Guertzovich, María Soledad Gattoni, and Dave Algosó, [Seeing New Opportunities: How Global Actors Can Better Support Anticorruption Reformers](#) (London: Open Society Foundations, November 2020), pages 8-9.

interest and identity groups tend to enjoy deeper support throughout the population that brings powerful legitimacy, organized networks, cadres of leadership, financial resources, valuable information, and other endowments that are essential to adapting a social contract. They also tend to have more viable histories and existing resources than civic NGOs, particularly in spaces that are repressive or enjoy limited history of liberal democracy. Across most of Africa, the ranks of civil society dedicated specifically to anti-corruption are thinner than in Eastern Europe and Latin America. Instead, the most valuable anti-corruption partners in many African countries are major international companies that are at least subject to laws like the Foreign Corrupt Practices Act and may have well-developed controls and reputations to protect. The most potent organizing may come from elements far removed from power politics, like the environmental activists in South Africa who built a grassroots coalition that stopped the South African government's massive secret nuclear deal with Russia.²⁸ Rather than using these elements to advance foreign interests or implement projects conceived abroad—including an untailored, cookie-cutter version of the reforms recommended in this guidance—Missions should spend considerable time before any window of opportunity building trust with these communities and getting to know how they face corruption and other challenges. This investment will be essential for the establishment of powerful anti-corruption coalitions and for eventually designing dekleptification programming that addresses local needs and secures deep-seated domestic buy-in.

- **Avoid political interference:** The United States cannot pry windows open or push countries into dekleptification. USAID's disciplined approach to supporting governance and promoting democracy over the past three decades stands in direct contrast with strategic corruption across at least three essential dimensions.²⁹ First, U.S. assistance is transparently accounted for in publicly available budgets, whereas strategic corruption involves covert funding flowing through obscure entities owned by deniable proxies. Second, U.S. support is welcomed and voluntarily accepted by country partners, whereas strategic corruption and other forms of foreign interference represent coercion that is unwelcome by citizens, an illegitimate violation of national sovereignty. Third, U.S. aid is meant to build the institutional capacity for all sides of the political spectrum to compete on a level playing field, rather than picking and choosing preferred parties or candidates.³⁰ This track record of transparent, upright, and even-handed assistance is why the Kremlin is unable to point to any evidence in support of Putin's false conspiracy theories about the United States secretly fomenting color revolutions. Windows for dekleptification are opened by domestic actors operating with independence and sovereignty, even if reformers out-compete kleptocrats on a level playing field upheld by independent media outlets and civil society workers, apolitical civic actors who seek and secure support from international donors. While there is important civil society support and analytical work to be

²⁸ See Goldman Environmental Foundation, [2018 Goldman Prize Winner: Makoma Lekalakala & Liz McDaid](#), San Francisco, 2018.

²⁹ See Thomas Carothers, [Is the U.S. Hypocritical to Criticize Russian Election Meddling?](#) (Washington: The Carnegie Endowment for International Peace, March 2018).

³⁰ See USAID, [USAID Political Party Assistance Policy](#), Washington, D.C., August 2021.

undertaken before windows open, only after citizens finish a legitimate process of self-determination to pursue dekleptification does USAID ramp up support in solidarity with those reformers.

- **Integrate anti-corruption into service delivery sectors:** While a corrupt regime will probably not have significant political will for direct anti-corruption assistance, there may be opportunities to integrate anti-corruption into efforts to strengthen sectoral service delivery systems, such as health. Pilot programs in sectors demonstrating a degree of political will could help to identify contextually appropriate approaches that may be scaled up when there is a wider opening. Democracy promotion can also help anti-corruption reformers prepare for windows, such as by preparing briefing materials on the transition process and the governing levers in a given country's unique administrative context, similar to expertise provided by the White House Transition Project.³¹ Targeted programming informed by former insiders or influential professionals could be pre-positioned to help reformers with no governing experience quickly come up to speed on highly localized processes, from moving legislation through parliament to influencing regulatory and administrative structures.³²
- **Build bridges between domestic and international partners:** In order to help forge consensus about which reforms to prioritize in a future window for dekleptification, Missions should facilitate dialogue between local civil society, international donors, multilateral institutions, private sector innovators, reformers from other countries that have gone through windows, and technical experts connected to the U.S. government. *These stakeholders should aim to agree upon a limited number of ambitious yet concrete reforms to prioritize the most salient and harmful manifestations of kleptocracy as soon as the window opens.* As an example of reformers quickly agreeing upon recommendations to prioritize in a window, less than two weeks after Viktor Yanukovich fled from Ukraine to Russia, a coalition of activists, experts, journalists, and researchers presented the Reanimation Package of Reforms, which provided an anti-corruption legislative roadmap that was adopted quickly under pressure from the reform advocates.³³ In addition to connecting domestic civil society with international experts, Missions should work closely with reformers to understand programming needs and educate them on the bureaucratic processes of accessing foreign assistance. Missions can also target programming toward foreseeable reform bottlenecks, such as shared analysis, legislation drafting, or leadership pipelines.³⁴
- **Prepare flexible response options:** The rapidly evolving political dynamics around windows for dekleptification often call for an accelerated and flexible response similar to humanitarian aid and transition assistance after natural disasters and wars. In order to be ready to scale up assistance as soon as windows open, Missions should consider options and requirements for

³¹ See "[About Our Work](#)," White House Transition Project, accessed February 18, 2022.

³² See Florencia Guerzovich, María Soledad Gattoni, and Dave Algos, [Seeing New Opportunities: How Global Actors Can Better Support Anticorruption Reformers](#) (London: Open Society Foundations, November 2020), page 9.

³³ See "[About Us](#)," Reanimation Package of Reforms, accessed February 18, 2022.

³⁴ See Florencia Guerzovich, María Soledad Gattoni, and Dave Algos, [Seeing New Opportunities: How Global Actors Can Better Support Anticorruption Reformers](#) (London: Open Society Foundations, November 2020), page 9.

accessing relevant funds and mechanisms that can move quickly. USAID’s anti-corruption unit is building out an approach to anti-corruption response that will provide a framework for mobilizing support to fast-moving anti-corruption openings that can be scaled to meet changing contexts and needs, including by surging programmatic support to anti-corruption reformers and ensuring that Missions have the resources they need to respond to windows for dekleptification and countering corruption. To dedicate funding toward this effort, USAID launched the Anti-Corruption Response Fund (ACRF) at the 2021 Summit for Democracy. The ACRF is managed by USAID’s anti-corruption unit and directs resources toward windows of opportunity following political openings, situations of increased risk for corruption, or new pilot approaches to anti-corruption. ACRF funding may be either centrally managed or transferred directly to Missions. Separately, Missions can work with USAID’s Office of Transition Initiatives, which most commonly works in conflict-prone countries, but has also launched a handful of initiatives with anti-corruption components in response to transitions of power driven by corruption, including in the Kyrgyz Republic in 2010, North Macedonia in 2015, Malaysia in 2018, and Armenia in 2019. In addition to tapping into these and other centrally-managed programs, Missions can create their own flexible instruments in preparation for future windows such that they are prepared to roll out new programming within weeks of an unexpected opening, rather than having to then spend a year or more working through procurement processes (see text box).

Flexible mechanism in Moldova

USAID-Moldova learned about the need for flexible procurement mechanisms in 2019, when a short-lived government formed to kick out the oligarch who had captured much of the state, but by the time the donor asks were clarified and the Mission identified mechanisms, the window had closed with a vote of no confidence in the government. In order to be ready to move faster in the future, the Mission then procured its own single holder justice IDIQ, putting in place a framework with one implementer ready to receive task orders around judicial integrity and independence. This preparation paid off in 2021, when another window opened, and USAID quickly used this flexible instrument to become the primary donor on President Maia Sandu’s signature initiative to pre-vet the integrity of candidates to be judges and prosecutors.

DURING THE WINDOW: INSTITUTIONALIZING TRANSPARENCY AND ACCOUNTABILITY

As soon as a window opens, USAID and its partners should pivot from conducting political analysis and supporting politically independent civil society to more actively operationalizing support for the newly legitimate leaders as they prepare to secure a transition of power and begin governing.

There is no simple recipe of reform policies that will magically convert a window of opportunity into a virtuous circle of dekleptification. Each corrupt system is corrupt in its own way. Money may be stolen through public procurement in one country and police shakedowns in another, laundered through layers

of shell companies in one country and networks of human bank depositors in another, evading accountability by bribing judges in one country and firing honest prosecutors in another, and so on. Moreover, local differences in historical processes, political power, and institutional arrangements make societies react to the same policy interventions very differently.³⁵ It is difficult to predict how corrupt elements will respond, whether by re-creating themselves in new forms that evade new institutions or by fighting back with disinformation, cooptation, support from foreign powers, or other dangerous countermoves and dirty tricks. The need to inform reforms with continual understanding of these contingent local details is why political analysis is essential before and during windows of opportunity.

Based on the findings of local political analysis, Missions should work with reformers to prioritize a few interventions, which could include some that have helped address similar problems in similar contexts elsewhere. As detailed in the final two subsections (on transparency and accountability) of this section, new mechanisms could include two broad areas of building new institutions and mechanisms that go well beyond international standards. The first policy area, transparency, involves collecting and publicly disclosing as much information as possible about who owns what companies and other assets—financial information that will inform efforts by investigative journalists and civil society advocates to expose corruption and drive reform. The second policy area, accountability, involves creating new independent bodies capable of investigating, prosecuting, and ruling on cases of high-level corruption. Those anti-corruption institutions have served as essential pathways and vehicles that reformers drive on a country's journey toward rooting out kleptocracy.

However, successfully converting a window into a virtuous circle is not mainly an apolitical and technocratic endeavor. Rather than respecting the democratic outcome and adhering to new rules after the window opens, corrupt domestic elements and subversive foreign powers can be counted on to undermine implementation of dekleptification reforms and manipulate local politics to slam the window shut as soon as possible. As such, it is not enough for Missions to recommend the correct policy recommendations and technical programming. They will need to provide assistance in a manner that is much more political, nimble, vigilant, and integrated with other U.S. tools than most other development sectors.

Overall Lessons Learned During Windows

Nine key lessons have been learned by past Missions providing assistance amid dekleptification windows:

1. **Work with the interagency to hit the ground running the moment the window opens:** Ideally, Missions will have started ramping up political analysis and associated policy and programming preparations at least some six months before a foreseeable potential opening, like when a corrupt autocrat is facing a tough reelection fight. In addition to commissioning a political

³⁵ See Daron Acemoglu and James Robinson, [*Why Nations Fail: The Origins of Power, Prosperity, and Poverty*](#) (United Kingdom: Crown, 2012), pages 436–437.

assessment, Missions should work with State and the National Security Council to set up an interagency team that meets frequently to share information and analysis, warm up relationships with the key anti-corruption reformers in the country and encourage consensus-building around policy priorities, and prepare contingency plans (to range from communications and enforcement needs around a free and fair election and peaceful transition of power to the administrative, legislative, and diplomatic needs around mobilizing resources to support emerging reformers). If Missions have not had time before the window opens to lay that groundwork—such as if the organic political change was sparked by unpredicted street protests that escalated quickly—they will need to immediately play catch-up, starting by alerting Washington to the opening of an important window of opportunity and establishing relationships with the key reformers. The Arab Spring, for example, was led by grassroots reformers with whom the United States was not connected, and contact lists of civil society actors known to the U.S. government (from participants in exchanges and other U.S.-hosted programs to influential religious and other community leaders) were woefully outdated and decentralized, forcing U.S. officials to scramble to figure out which reformers were influential, including in efforts to tamp down on disinformation and potential violence. In the case of an election in which the reformer gets more votes than the kleptocrat, as soon as the polls close the focus of interagency work should convert from mainly just conducting internal analysis to “going operational” in support of an honest and peaceful transfer of power. The first order of business may involve working with State’s Global Engagement Center to counter disinformation about the election result. Second, having figured out in the political analysis stage which oligarchs and cronies are the greatest flight risks, the interagency may want to keep tabs on key corrupt figures and the proceeds of their corruption, so that a new rule-of-law government would be positioned to deliver on a public mandate for accountability. Third, it is possible that vocal public diplomacy, sanctions, or other pressure tactics may be needed to get the outgoing kleptocrat to adhere to the democratic result by stepping down. Through all of this, the Mission and key colleagues in Washington should be on the phone daily or weekly with incoming reformers, hearing what international support they need to support the democratic process and help them prepare to govern.

2. **Work with the new government to start showing the public results quickly:** As soon as a window opens, the race is on to secure results that exceed already high public expectations and thus keep the window open. In 2004, within just a few months of Georgia’s Rose Revolution, the new government was already reorganizing the executive branch, enacting legislation, arresting corrupt former officials, and confiscating misappropriated assets—a sweeping campaign that led to a dramatic 80 percent decline in bribery by 2005.³⁶ But while such early wins help establish credibility and generate momentum, the window has not been successfully converted into a virtuous circle that is robust against backsliding until the population is willing to participate in their democracy—on the streets, if needed, as occurred in Romania in 2017 and 2018—to

³⁶ See Alexander Kupatadze, Alina Mungiu-Pippidi, and Michael Johnston, [*Transitions to Good Governance: Creating Virtuous Circles of Anti-corruption*](#) (United Kingdom: Edward Elgar Publishing Limited, 2017), pages 82-83.

defend the independence of their anti-corruption institutions.³⁷ More than just the establishment of new registries and agencies, the public will need to see convictions of the most notorious top kleptocrats and cronies and share widespread confidence that no particular personal connections are needed in order to receive government services. The reforms need to be seen abroad as irreversibly business-friendly—sustainable through transitions of power and not using the same old methods of oligarchic favoritism and abuse of criminal justice to consolidate political power—in order to attract foreign direct investment. That virtuous circle takes time to generate, so the first few years of a window of opportunity are the most vulnerable period, when corrupt elements will try to thwart reform by sabotaging critical processes that often fall below the broader public’s radar. For example, the National Anti-Corruption Bureau of Ukraine (NABU) and its leaders have continually faced threats of legislative poison pills, disruptions run through general prosecutors, groundless lawsuits, and defamation campaigns.³⁸ Missions need to closely track these lines of attack, as well as the arcane details around the legislative authorities of new institutions, selection of individuals to run them, hiring and training of new staff, enforcement of new rules, cooperation of foreign law enforcement, and more. Rapidly pivoting programming toward emerging needs will require timely information and flexible funding and mechanisms, which should be geared toward delivering support around the reformers’ top priorities within weeks of the window opening.

3. **Combine the delivery of justice, systemic reforms, and salient services:** It is not enough to focus on justice, reforms, or services; dekleptification requires attention to all three. First, populations that have long suffered under kleptocracy will not see an anti-corruption campaign as credible unless it successfully punishes the crooked rulers and their cronies by using impartial, independent, and transparent legal proceedings to deliver justice and return as much stolen money as possible as swiftly as possible. Second, truly upending the underlying kleptocratic power structures and building resilience against corrupt figures returning to power in the future calls for institutionalizing systemic transparency and accountability reforms that close the space for corrupt practices, with a particular focus on the country’s most problematic private sectors and financial pathways. Third, sustaining public support requires rooting administrative corruption out of the delivery of public services—such as police, health care, or education—that most commonly irk everyday ordinary citizens.
4. **Support development of a proactive communications strategy:** There are several common pitfalls associated with the public communications aspect of an anti-corruption reform campaign. One is that while talking about acts of corruption can help fuel opposition and open a window, continuing to do so after the window is open risks producing corruption fatigue, normalizing corrupt behavior, or otherwise inadvertently backfiring against the sustainability of reform efforts. Missions should seek to inspire and educate people about salient anti-corruption successes by working closely with integrity champions—public servants who tirelessly deliver for

³⁷ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 20.

³⁸ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 21.

the people without seeking favors, change agents who hold the powerful to account, and others who go beyond the call of duty to deliver fair, responsive, and effective governance—and help tell their uplifting stories through media and other channels. Another challenge is that corrupt actors and their enablers may enjoy more media resources and greater willingness to use disinformation or smear tactics to undermine reformers and confuse the public about who is really corrupt. Missions should work with reformers to proactively seize the information space, create new channels to connect with the public, and help amplify their message through international media and diplomatic channels.

5. **Continue investing in and connecting civil society:** When windows open, anti-corruption NGOs will face new needs around supporting the reformist government, new opportunities to channel and sustain public momentum, and new challenges such as losing key personnel as reformers shift from civil society to government positions. Their monitoring work and need to partner with the international community will become as important as ever. NGOs are often positioned to be more directly vocal in their public communications than international organizations, and they tend to have deep local political context and flexibility to react quickly to new developments.³⁹ But they will need to develop new skills and connect with reformers abroad who bring more dekleptification experience. Missions should program around these emerging needs, challenges, and opportunities providing rapid support around organizational scaling, specialized security, and strategic communications. Missions should also develop new programs tailored to surge civil society support toward whatever part of the new dekleptification institutional architecture suffers from weak implementation or other threats (see, for example, the Support to Anti-Corruption Champion Institutions project described in Annex 1).
6. **Consider truth and reconciliation:** Dekleptification could borrow from the transitional justice field, which sometimes convenes truth and reconciliation commissions that gather evidence about systematic human rights violations carried out by governments against their own citizens, provide spaces for perpetrators and victims to publicly acknowledge violence, and facilitate processes of accountability, redress, healing, and reform.⁴⁰ When transitioning away from a kleptocratic system, societies need to decide which perpetrators were cogs trapped within the system—to be potentially forgiven, retrained, reformed, etc.—versus the kleptocrats who must be punished. For example, while Georgia and Ukraine built new street police patrols from scratch, on other police forces for which wholesale replacement was infeasible, they instituted extensive “re-attestation” processes in which all police officers had to undergo competitive civil service testing, cooperate with investigations into their personal wealth, submit to polygraph testing, and interview for their jobs in front of re-attestation commissions (which were located in communities around the country and staffed by local anti-corruption and human rights activists), and pass rigorous training administered by foreign instructors—a process that purged

³⁹ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 26.

⁴⁰ See Blair Glencorse, [Guest Post: The Case for Corruption Truth Commissions](#), The Global Anticorruption Blog, June 29, 2021.

about 10 percent of the force.⁴¹ State-INL similarly supports Ukrainian prosecutorial reform through the re-attestation of all Office of the Prosecutor General personnel.⁴² There may also be some situations when societies decide to expand a truth and reconciliation process higher than administrative corruption to also include some elite perpetrators of grand corruption and kleptocracy. The reasons for moving on without severe consequences could include deliberate avoidance of anti-democratic norms around imprisoning political opponents, fragile political order that is incapable of administering strict justice, or amnesty offered in exchange for relinquishing power, telling the truth, or returning stolen wealth. On the other hand, prosecution and other steep consequences might help reduce the risk of deposed kleptocrats coming back to power (e.g., after integrating with criminal elements and foreign powers and using subversive methods like disinformation and dirty money to close the reform window), deter others from engaging in high-level corruption, and provide a measure of justice to victims—accountability that might be legitimately warranted and necessary to sustain public support. Decisions by communities about whether and how to hold one of their own accountable are at the beating heart of sovereignty, so this is an area where domestic actors should be granted complete latitude to pursue their own path. Missions should only serve as a resource, including with programming and connections to specialized NGOs such as the International Center for Transitional Justice, which has worked on truth and reconciliation in more than 50 countries over the past two decades.

7. Tie lending and other international benefits to strong anti-corruption conditionality:

Conditionality can position countries to open windows of opportunity, like in 2004 when the European Council tied Romania’s EU accession to a revamping of its anti-corruption strategy, including the creation of an independent enforcement agency and tough regulations. And even after a government has a clear mandate to dekleptify, the extent to which well-resourced corrupt elements try to thwart progress at every stage before the public broadly understands the importance of key policy details means that keeping critical reforms on track requires continually attaching policy conditions to foreign support. In Ukraine, for example, IMF loans, U.S. loan guarantees, EU financial assistance, and EU visa liberalization were all repeatedly conditioned upon concrete deliverables such as the enactment of comprehensive asset declarations, creation of independent enforcement agencies, administration of Naftogaz corporate governance reforms, firing a corrupt prosecutor-general, and many other milestones (see Annex 1). More often than not, conditions had to be coordinated across donors who would hold up loans for many months to show the government they were serious. Sometimes it is harder to get countries to accept such strict conditionality, like if the People’s Republic of China offers loans that are purportedly condition-free, even if the real conditions are covert or corrupt. Missions are positioned to provide the most informed inputs into U.S. interagency debates about which policy details to insist upon in loan agreements, when additional resources are needed to compete with corrosive capital offerings, and when to escalate pressure on host

⁴¹ See Nick Pehlman, [When Ukraine Abolished the Police: Lessons for America](#), The Wilson Center’s Kennan Institute, July 27, 2020.

⁴² See The State Department, [Ukraine Summary](#), 2022.

governments to deliver upon international commitments. That can include informal high-level political interventions, like insisting that a notoriously corrupt official be replaced with one committed to dekleptification. Setting up external accountability can also involve enshrining key commitments in agreements with international bodies, such as the country's Open Government Partnership National Action Plan, the Millennium Challenge Corporation compact, terms for accession to the European Union, anti-corruption roadmaps set up by the G7, and other similar bodies and agreements.

8. **Safeguard, monitor, and defend institutional independence:** Corrupt forces will never stop deploying all their considerable resources toward attacking the independence of anti-corruption institutions such as new agencies to prosecute and investigate grand corruption. These agencies must be safeguarded with strong legal autonomy, secure funding, high salaries, regular audits, explicit grounds on which heads may only be fired for cause, and integrity-based leadership selection processes.⁴³ Once such a robust legal framework is in place, corrupt elements will continually try to undermine the processes of selecting leaders with integrity (see the next bullet), enact legislation to water down statutory authorities, repurpose general prosecutors to gum up the anti-corruption work, file frivolous lawsuits against anti-corruption officials, and launch defamation attacks against the agencies and their employees.⁴⁴ Key to defending against these forms of sabotage and intimidation is investing in and protecting civil society actors and oversight bodies that watch closely for such attacks and have effective channels to quickly and vocally flag dangers for the public and the international community.
9. **Ensure international involvement in integrity-based selection processes:** In order to facilitate faster and stronger accountability than would be possible in the decentralized and potentially compromised ordinary judicial system, new independent enforcement agencies tend to be more centralized and dependent upon the personality of their top leader. That means that the easiest way for corrupt actors to sabotage such an agency is to install a loyal crony as its head—someone who will protect his patrons or can be paid a bribe to undermine an investigation or prosecution. Thus, in some contexts domestic reformers will welcome highly reputable international experts to play a decisive role in the process of selecting a pool of finalists with integrity to run the new independent enforcement agencies. Civil society should also contribute, although their designated spots in selection committees are sometimes taken by government-organized non-governmental organizations (GONGOs). To preserve sovereignty, domestic governance bodies should retain the power to decide who to select from the pool of high-integrity finalists. From its experience in countries like Romania and Ukraine, State-INL now has considerable experience in helping these selection processes succeed via strong international involvement.

⁴³ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), pages 16-17.

⁴⁴ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 21.

Transparency Mechanisms

To fuel and inform investigations by both civil society and law enforcement, the government needs to collect and open up public access to a far-reaching amount of information about who owns what throughout the country and how state resources are being spent. Reformers in countries suffering from kleptocracy find that the extreme severity, pervasiveness, and danger of the corruption they face calls for much more extensive and strictly enforced public disclosure requirements than are common in Western democracies, where privacy considerations may take on more relative weight. USAID programming around asset declarations, beneficial ownership, politically exposed persons, and public financial management could be considered under two initiatives launched at the 2021 Summit for Democracy: the Anti-Corruption Response Fund, which advances the fight against corruption at transitional moments such as during political openings, and the Global Accountability Program, which enhances partner countries' ability to build resilience against kleptocracy and illicit finance.

- **Asset declarations:** Publicly disclose the assets and income of public officials and their family members. The disclosure regime should be grounded in laws that impose dissuasive criminal liability on non-submissions or false statements, as well as illicit enrichment (which could be revealed by the disclosures). It should apply to a wide range of public officials, like in Ukraine, where about a million people file annually. The range of assets covered should be comprehensive, including real estate or vehicles that are owned or used, moveable assets like jewels and art, financial assets like foreign or domestic bank accounts or securities, in-kind benefits like gifts or loans, or any other interests or expenditures worth more than a few thousand dollars. Submissions should be electronic and uploaded to digital systems for capture, central collation, cross reference, and publication.⁴⁵ An independent authority should verify data submitted and investigate and prosecute discrepancies between declarations and lifestyles.
- **Ownership registries:** Publicly disclose the ultimate beneficial owners of all domestic companies, properties, land, vehicles, and other assets by establishing registry databases that feature robust definitions, comprehensive coverage, sufficient detail, central collation, public access, structured data, verification measures, timely updates, auditable records, and well-enforced sanctions.⁴⁶ Specialized NGOs like Open Ownership provide technical assistance to countries as they implement beneficial ownership transparency.⁴⁷ With the U.S. Treasury Department in the process of standing up its own beneficial ownership registry, fresh expertise could be shared either directly from Treasury's Financial Crimes Enforcement Network or through Treasury's Office of Technical Assistance (OTA). That could also be part of a broader Treasury or IMF technical assistance program meant to bring the AML system into FATF compliance.

⁴⁵ See Lucas Amin and José María Marín, [Recommendations on Asset and Interest Declarations for OGP Action Plans](#) (Berlin: Transparency International, May 2020).

⁴⁶ See "[Principles for Effective Beneficial Ownership Disclosure](#)," Open Ownership, accessed January 28, 2021.

⁴⁷ See "[Technical assistance with implementation](#)," Open Ownership, accessed January 28, 2021.

- **PEP databases:** Publicly disclose a comprehensive list of politically exposed persons (PEPs), which are politicians or other people entrusted with prominent public functions. Banks are required to conduct enhanced due diligence on PEPs, which means obtaining more information about where PEPs' money comes from. But too often, banks turn a blind eye to their customers' status as PEPs—by taking their word for it or failing to do a Google search—and thus avoid enhanced due diligence. Failing to see that a Ukrainian customer is a PEP is now difficult, because the USAID-funded Anti-Corruption Action Center maintains a public database—drawing from asset disclosures and company ownership registries—naming some 50,000 PEPs, as well as their close associates, friends and family, and 32,000 affiliated legal entities.⁴⁸ The positive results of this test case motivated State-INL to fund a project implemented by C4ADS to launch a regional PEP database.⁴⁹
- **Public finances:** Establish transparent systems of public financial management, procurement, tax administration, and digital service delivery. Focus on whatever flows of public money are substantial and opaque in any given economy. For example, when USAID spent five years helping Liberia establish sound financial and budgetary management across 11 government institutions, the program covered not only fiscal, monetary, and procurement activities, but also transparent systems to manage the mining and timber sectors—including computerized registries of mine owners, improved contracting and concession processes, inventories and procedures for managing fixed assets, and more.⁵⁰ In Ukraine, where the pre-2014 government did not disclose information about procurements conducted by state-owned companies—a gap that allowed corruption to fund pervasive patronage networks—an unprecedented collaboration in 2014 between businesses, the government, civil society, and international donors such as USAID led to the development of the award-winning ProZorro online public electronic procurement system required for all public procurements.⁵¹ In the Dominican Republic, the government has rolled out a software application that monitors 100 percent of procurement processes transacted through the official electronic procurement system in order to provide early warnings about possible irregularities and procurement violations. Another policy area where transparency is particularly important to counter strategic and grand corruption is campaign finance.

Independent Accountability

Making information public is only a means to an end, and that end is accountability. Populations that get fed up with the impunity of kleptocracy want nothing more than justice for the crooks who have spent

⁴⁸ See “[Public Register of Politically Exposed Persons of Ukraine.](#)” [Anti-Corruption Action Center](#), accessed January 28, 2021.

⁴⁹ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 14.

⁵⁰ See Bertram I. Spector, [Curbing Corruption: Practical Strategies for Sustainable Change](#) (New York: Routledge, 2022), page 41.

⁵¹ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 20.

years stealing from them. Aggrieved citizens open dekleptification windows with particular perpetrators or cases in mind, and if the new reformist government fails to deliver accountability, nothing else it does will be sufficient to overwhelm the sense of impunity and generate the faith in government that is necessary to achieve a virtuous circle. This is particularly challenging in environments where the administration of justice itself—which is at the heart of sovereignty—has long been manipulated by autocrats to serve their own corrupt interests. As such, reforming old systems of accountability and establishing new ones in order to rapidly apply justice equally to all through independent, impartial, and transparent means is some of the trickiest work of dekleptification. It is central to the rule-of-law work pursued under USAID’s Global Accountability Program, announced at the 2021 Summit for Democracy.

- **Specialized anti-corruption institutions:** The corruption of law enforcement is so fundamental to kleptocratic systems that this sector tends to be so thoroughly penetrated and compromised as to take many years to reform. While those reforms get underway, quickly delivering accountability mandated by the public often requires standing up from scratch—often not even hiring from the existing enforcement bodies—new independent institutions of criminal enforcement with exclusive jurisdiction over high-level corruption schemes perpetrated by senior officials. In some cases, these institutions collectively cover the complete rule-of-law process, including investigative agencies, prosecutors’ offices, specialized courts, asset recovery management, and other agencies. For example, USAID, State-INL, and U.S. law enforcement were actively involved in helping Ukraine establish its National Anti-Corruption Bureau, Specialized Anti-Corruption Prosecutor’s Office, National Agency on Corruption Prevention, High Anti-Corruption Court, Asset Recovery and Management Agency, and other agencies (see Annex 1). Because these types of independent institutions risk being undermined in the future—see, for example, Romania’s 2018 firing of its chief anti-corruption prosecutor or Guatemala’s 2019 termination of its anti-corruption commission known as CICIG—another approach is to externalize investigations and prosecutions by sending cases to foreign jurisdictions, where they can continue to be independently pursued even after the window closes. In Malaysia, for example, U.S. prosecutions related to the 1MDB scandal proceeded even after a window of opportunity closed within less than two years. Together with civil society monitors and other U.S. government partners, Missions should actively support the swift and strong establishment of these independent institutions and information sharing protocols, as the devil is often in the details. That means offering technical advice, programming assistance, and informal connections to get outside experts deeply involved in the legislative drafting, day-to-day political advocacy, high-level political interventions, leadership selection processes, training of new staff, and all other steps in the institution-building process.
- **Judicial reform:** While reforming the existing judicial system takes time, it cannot be put off for too long. Seeing Ukraine learn this lesson the hard way (see Annex 1), Moldovan President Maia Sandu made it one of her signature early initiatives to eliminate corrupt figures from the judicial system by establishing an extraordinary process of external pre-vetting to conduct integrity reviews of candidates to be judges and prosecutors. USAID is the primary donor for an instrument to support this effort, having quickly used a flexible instrument known as single

holder IDIQ to procure one implementer that can receive task orders for various activities as needed. Beyond vetting, USAID and State-INL can support training programs for judges and prosecutors that focus on how corruption takes place, teach trainees how to respond on the spot, warn trainees that future infractions will be met with severe consequences, and culminate in rigorous integrity assessments. Trainees that pass such assessments should be granted pay raises and special recognitions, while those who fail should be removed from public service.

- **Police reform:** In many countries, when citizens are asked to describe corruption, the most common experience they describe is being shaken down or extorted by the police. Sometimes police officers have to pay a bribe to get the job in the first place, and then once on duty, they have to pay kickbacks to their superiors that go all the way up the chain of command to ministers and cronies of the ruling regime. Meanwhile, with state coffers depleted by graft, there is insufficient budgetary space to adequately pay official salaries. Thus, kleptocratic systems pressure police officers to spend their workday collecting bribes from arrested citizens and taking cuts in illicit trade. In environments of such corrupt policing, it is impossible for a national dekleptification campaign to be seen as credible by the population—and thus sustained through popular support—without muscular police reform. Moreover, dekleptification often begins in situations of political factionalization, violent conflict, entrenched oligarchy, economic dislocation, and other severe challenges, leaving the reform of discredited police as the most viable, salient, and timely win available to reformers.⁵² For example, the dramatic 80 percent decline in bribery within a year of Georgia’s Rose Revolution was led by street policing, where the zero-tolerance regime came with a tenfold increase in salaries.⁵³ That result was in line with improvements ushered in elsewhere by online systems that engage citizens in actively registering bribe requests—complaint registries that can be administered by either NGOs, like “IPaidABribe.com” in India, or by official anti-corruption commissions, like “Pay No Bribe” in Sierra Leone—which have been shown to reduce the frequency of policy bribery by as much as three quarters.⁵⁴
- **Salient services or egregious sectors:** In addition to policing, other sectors and services through which citizens commonly interact with their government—and thus are leading opportunities for salient corruption—include property registration, business licensing, tax administration, and public services such as education and health care. Political analysis should use data on grievance submissions, polling, personal interviews, and other sources to identify the services and sectors that weigh the most heavily on the minds of citizens when asked about corruption. In countries with deeply entrenched kleptocratic structures at the levels of municipal and regional governance, it may be necessary to create new territorial units and transfer resources and

⁵² See Masha Gessen, “[The Cops Who Would Save a Country](#),” *Foreign Policy*, September 8, 2015.

⁵³ See Alexander Kupatadze, Alina Mungiu-Pippidi, and Michael Johnston, [Transitions to Good Governance: Creating Virtuous Circles of Anti-corruption](#) (United Kingdom: Edward Elgar Publishing Limited, 2017), pages 82-83; Bertram I. Spector, [Curbing Corruption: Practical Strategies for Sustainable Change](#) (New York: Routledge, 2022), page 70.

⁵⁴ See Bertram I. Spector, [Curbing Corruption: Practical Strategies for Sustainable Change](#) (New York: Routledge, 2022), pages 54-55.

responsibilities to them and away from the old clientelistic power centers, a novel approach to decentralization that USAID has helped pioneer in Ukraine.⁵⁵

- **Citizen involvement:** While kleptocracy is backed by deep financial resources, the power of reform is that it can marshall overwhelming numbers of people. Tapping into people power is key to sustaining reform and it requires active recruitment and clear pathways for civic participation in anti-corruption. USAID has helped countries establish citizen advocate offices to take supportive legal actions on behalf of citizens seeking redress from their government, ombudsman offices to take reports about corruption and act on them, legislation to protect whistleblowers who report cases of corruption, freedom of information laws to provide citizens with rights to access public documents, laws and regulations requiring government meetings to be open to the public, tools around participatory budgeting and social auditing, and other institutions to build citizen oversight into efforts to improve service delivery and root out kleptocracy.⁵⁶

AFTER THE WINDOW: HOLDING A BACKSLIDING GOVERNMENT ACCOUNTABLE

For Missions working in countries where a window for dekleptification appears to be closing, the main objective is to defend wins by holding the government accountable and protecting the ability of civil society to continue operating, either in a space that may be closing or after fleeing the country if needed. Interagency coordination will be as important as ever, because in addition to shifts in USAID policy and programming—like redirecting resources away from a backsliding government and using public diplomacy to increase pressure—the U.S. government may well increasingly rely on other tools such as economic sanctions and law enforcement actions.

The first need when a window appears to be closing is to use political analysis to understand how and why this is happening and what can be done about it. In particular, the programming implications will differ depending on how suddenly the window is closing (see Figure 5).

Figure 5: Spectrum of How Suddenly Windows Close

<p>Gradual Backsliding</p> <p>Failure to prosecute kleptocrats fuels impunity narrative that saps popular support and undermines reform momentum.</p> <p><u>Examples:</u> South Africa, 2018-2019 Malaysia, 2018-2020</p>	<p>Subversion in Flashpoints</p> <p>Subversive tactics amid key elections, firings, and other turning points greatly set back the anti-corruption movement.</p> <p><u>Examples:</u> Georgia, 2012-present Romania, 2017-2019</p>	<p>Violent Backlash</p> <p>Corrupt elements see abrupt takeover as their last best hope to keep the kleptocratic system.</p> <p><u>Examples:</u> Sudan, 2021: domestic military takeover Ukraine, 2022: Russia's attempted regime change</p>
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⁵⁵ See Andreas Umland, "[How Ukraine's decentralisation makes the country more resilient and helps post-Soviet democratisation](#)," New Eastern Europe, January 31, 2019.

⁵⁶ See Bertram I. Spector, [Curbing Corruption: Practical Strategies for Sustainable Change](#) (New York: Routledge, 2022), pages 75-77, 197-198.

On one end of the spectrum, backsliding can occur gradually, asphyxiated by a lack of progress. For example, after sensational corruption scandals took down governments and ushered in separate and unrelated windows of opportunity in South Africa and Malaysia in 2018, within a couple of years the failures to bring corrupt figures to justice in both countries led to impunity narratives that sapped popular support and undermined anti-corruption reform momentum.

On the other end of the spectrum, violent backlashes can slam windows shut, often quite suddenly and ferociously in response to progress against kleptocracy. In these cases, foreign or domestic corrupt elements come to view abrupt takeovers as their last best hope to maintain the kleptocratic system that advances their personal and political interests. A domestic example is the October 2021 military takeover in Sudan, which derailed the civilian-led transition to democracy. An example of a brutal and unprovoked foreign invasion meant to close a window of dekleptification is Russia's 2022 attempt to capture Kyiv and subjugate Ukraine (see Annex 1).

In between these two extremes are window closures that play out over long periods of time, perhaps a decade, but with corrupt elements—domestic or foreign—reacting to progress by wielding subversive tactics at pivotal flashpoints such as elections or firings that devastatingly set back the dekleptification movement. The window that opened with the anti-corruption commitments of Romania's EU accession has been beset by fits and starts as effective institutions have become targets and weapons of domestic political power, including pivotal flashpoints such as the 2018 firing of the chief anti-corruption prosecutor.⁵⁷ The Kremlin's most common method of closing other countries' reform windows is covertly bankrolling opposition political parties, a tactic that the Russian Federation has gotten caught deploying more than 100 times over the past decade.⁵⁸ The window that opened with Georgia's Rose Revolution petered out over time after the 2012 election brought to power an oligarch who made his fortune in Russia, who benefited from Moscow raising the specter of military confrontation in the weeks before the election, and who has remained powerful behind the scenes as Georgian law enforcement stopped seriously pursuing cases of high-level corruption.⁵⁹ The window that opened with Ukraine's Orange Revolution closed with the 2010 election of pro-Russian Ukrainian President Viktor Yanukovich, who was funded by corrupt energy intermediaries managed by Gazprom and oligarch Dmytro Firtash, who also financed his campaign support with \$11 billion in loans from bankers close to Putin.⁶⁰ In 2013, to induce Yanukovich to not sign a Ukraine-EU Association Agreement, Putin allegedly offered to similarly fund his 2015 presidential campaign (and U.S. Embassy officials in Kyiv speculated that Putin

⁵⁷ See Alina Mungiu-Pippidi, [Is Romania the Next Italy?](#), *Journal of Democracy*, Volume 19, January 2018.

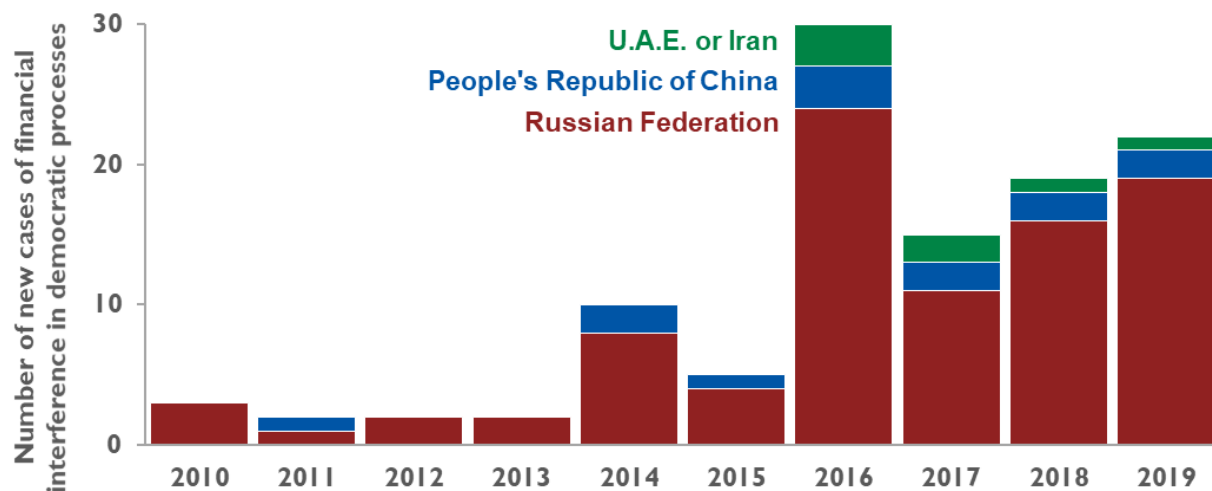
⁵⁸ See Josh Rudolph and Thomas Morley, [Covert Foreign Money: Financial Loopholes Exploited by Authoritarians to Fund Political Interference in Democracies](#) (Washington: The German Marshall Fund's Alliance for Securing Democracy, August 2020), pages 1, 54-59.

⁵⁹ See Melik Kaylan, ["The other time Vladimir Putin swung an election,"](#) Politico, November 4, 2016.

⁶⁰ See Stephen Grey, et al., ["SPECIAL REPORT-Putin's allies channelled billions to Ukraine oligarch,"](#) Reuters, November 26, 2014.

threatened to cut off Yanukovich's corrupt personal income streams if he refused).⁶¹ That pro-Russian move by Yanukovich was deeply unpopular with Ukrainians, triggering the 2014 Revolution of Dignity, forcing him to flee to Russia. Around that time, after having previously limited these financial active measures to the former Soviet space, the Kremlin dramatically expanded the target surface of these financial interference operations, deploying them all over the world (see Figure 6).

Figure 6: Global Surge of Financial Interference in Democracies



Source: Josh Rudolph and Thomas Morley, [Covert Foreign Money: Financial Loopholes Exploited by Authoritarians to Fund Political Interference in Democracies](#) (Washington: The German Marshall Fund's Alliance for Securing Democracy, August 2020), pages 1, 54-59, and 64-65.

Programming and policy objectives when a window is closing will depend on the suddenness and urgency of the closure. In cases of gradual backsliding, a key goal may be avoiding the frog-in-boiling-water syndrome by raising awareness within the country, internationally, and throughout the U.S. interagency. There may still be opportunities to defend wins and get dekleptification back on track by working with key stakeholders and strategically escalating pressure on the regime. By contrast, drastic militarized backlashes will immediately elevate the country's issues on the international agenda, so objectives will involve harnessing that attention toward constraining the kleptocratic regime and defending vulnerable reformers and change agents. As such, political analysis is a crucial starting point.

- Conduct political analysis:** Some topics of political analysis will be similar to before the window opened, including sensitive questions about corrupt actors. But new questions will also arise, centered around why the window is closing, the means through which spoilers are resourcing their opposition, and potential moves to defend wins secured during the window and to prepare for future windows. The public, reformers, and the international community may all be suffering from disappointment and disillusionment, which should be assessed in order to develop programming and messaging options that mitigate the risk of spiraling apathy and impunity.

⁶¹ See Christopher Smith, [Ukraine's Revolt, Russia's Revenge](#) (United States: Brookings Institution Press, 2022), pages 50-51 and 60.

Anti-corruption capacities that were built up within the government may need to be absorbed into civil society at a time when donor interest may be waning. Mini windows may occur, or certain champions may provide spaces for important measures to defend wins, and political analysis can help spot these opportunities, as well as risks. Corrupt elements will be learning how to reverse progress made during the window and prevent it from happening again, so the U.S. government and its partners must similarly analyze developments and plan for the future.⁶²

- **Support and defend civil society:** Times when reform windows close can be dangerous for anti-corruption change agents who worked boldly and openly during the window and may now face grave threats of retribution and repression. Too often, just when local activists and journalists are most exposed—and their work remains essential—the international community moves on, leaving them feeling used and forgotten. More than ever, Missions should be dedicating their time and resources—from new forms of programming to louder political amplification—to protecting reform allies. They should be the first to know as soon as a reformer needs specialized security services to protect against legal, digital, physical, psychological, and other threats, or alternatively, needs to flee the country or seek other forms of safe haven. With corrupt elements now controlling and likely abusing the judicial system, harassing reformers and journalists with groundless criminal prosecution may become common. Previously trustworthy authorities such as enforcement personnel may become compromised. Missions should be in contact with State-DRL about support mechanisms such as political asylum. USAID’s Empowering Anti-Corruption Change Agents Program could be used to provide new services to existing partners, such as support to relocate operations to safer jurisdictions. Missions should continue providing safe spaces for dialogue among reformers, including engagements with broader societal elements to consolidate and sustain new coalitions that formed during the window such as base-building expansions enjoyed by NGOs. And even though the window and international attention have moved on, Missions should plan to make more—not less—investments in activists advocating for the preservation of reforms and journalists exposing corruption and autocracy.
- **Shift resources away from increasingly corrupt governments:** Missions should consider redirecting aid away from the increasingly autocratic government and toward civil society. In cases of windows slamming shut suddenly or experiencing major flashpoints in the closure process, this may involve a complete freeze on programming with the government. In more gradual cases, there may be greater opportunity for influencing government calculations. In either case, programmatic pivots should include pointed public explanations of the problematic backsliding and changes that the U.S. Government would like to see before turning back toward government-to-government programming. Funding should be redirected toward the civil society support programs and other non-government actors that are resisting the decline toward

⁶² See Florencia Guerzovich, María Soledad Gattoni, and Dave Algosio, [Seeing New Opportunities: How Global Actors Can Better Support Anticorruption Reformers](#) (London: Open Society Foundations, November 2020), page 77.

autocratic kleptocracy. USAID took these steps in 2021 with regard to El Salvador and Guatemala.⁶³

- **Ratchet up public diplomacy to call out backsliding:** The need to publicly criticize the rise of autocracy and kleptocracy will extend well beyond justifying the allocation of resources away from the backsliding government. In coordination with State and other U.S. Government officials and messaging platforms, public diplomacy will become an essential tool for drawing public attention and raising pressure on the regime. From references to corruption in readouts of meetings with government officials to events and other programs meant to spotlight issues, public messaging should be designed around highlighting growing corruption. This will involve continuing to serve as an information conduit for local change agents seeking to break through with their reporting and messaging to an international community that may be losing interest. It will also involve informing and coordinating with other departments and agencies to elevate messages to high-level platforms across the U.S. Government and multilateral fora.
- **Support corruption sanctions by deepening engagement with interagency and civil society partners:** When corrupt actors are retaking the levers of power, one of the most important U.S. Government tools that Missions may or may not have experience supporting in the past is strong sanctions on corrupt individuals. This can include either asset freezes carried out by Treasury and State under the Global Magnitsky Human Rights Accountability Act or visa bans administered by State under Section 7031(c) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2022. Missions should work with USAID/Washington and interagency colleagues to share local insights about powerful corrupt actors and how sanctioning them could support U.S. objectives around anti-corruption and democratic renewal. More than just low-level bag men who carry out financial crimes such as bribery or money laundering, targets should include high-level figures pulling the strings behind influence trading, abuse of power, obstruction of justice, and other schemes that illustrate how grand and strategic corruption operates in this country. Civil society information provides crucial evidence for sanctions and leads for law enforcement, and the U.S. government welcomes that input. USAID can also advocate within the interagency for following up with strong sanctions.

CONCLUSION

The ultimate objective of dekleptification is to help nations that endeavor to adapt their social contract away from kleptocracy, developing a new societal consensus about the duties of governance and intolerance for corruption. Such adaptations take many years or decades, sustained by virtuous circles of institutions that prove effective and popular enough to withstand efforts to undermine them and restore rule by corruption. Exceptional institutional and societal resilience is needed in strategically contested countries, where the influence of foreign kleptocracies and the pathways of transnational corruption provide enormous resources to corrupt elements seeking to undermine reform.

⁶³ See USAID, [USAID Redirects Assistance for Salvadoran Government Institutions to Civil Society Groups](#), Press Release, May 21, 2021.

The most important and essential precondition for a virtuous circle is very broad and highly mobilized demand throughout the society, driving powerful domestic political action that ushers in a window of opportunity to roll back kleptocracy. Amid those pivotal openings, reformers urgently call for rapid responses from the international donor community, including everything from fast-moving funding to technical expertise. When deciding how to build cutting-edge institutions imposing transparency and accountability, reformers benefit greatly from lessons learned in similar windows in other countries.

This guide captures those insights from USAID experts who were in the room where it happened during the windows of Georgia 2004-2012, Romania 2004-2018, Ukraine 2014-present, Guatemala 2015-2017, South Africa 2018-2019, Malaysia 2018-2020, Moldova 2021-present, Bulgaria 2021-present, the Dominican Republic 2020-present, and Zambia 2021-present. USAID partnered with reformers who innovated transparency and accountability mechanisms that are often scoped more aggressively than Western practices and could serve as models for other countries confronting kleptocracy and strategic corruption. But this is not apolitical and technocratic work; it requires overwhelming public demand, timely political analysis, focused civil society, well-coordinated donors and interagency partners, and Missions highly attuned to the fluid and intense political dynamics of dekleptification.

This strong and dedicated approach to rolling back kleptocratic structures is central to the modern pursuit of development, democracy, and peace.

ANNEX 1: UKRAINE CASE STUDY, 2014-PRESENT

The window of opportunity that opened with Ukraine's 2014 Revolution of Dignity is the clearest model of transparency and accountability institutions developing into a virtuous circle. Eight years later, Ukrainian dekleptification has been sufficiently effective and popular that it continues to not only help repel kleptocracy and strategic corruption, but also help equip and motivate Ukrainians to defend their sovereignty with historic valor on the battlefield.

We can learn a great deal from this case study, which is based on the current status, as of June 2022, of a highly dynamic situation in Ukraine. The trajectory of this window remains fluid as Russia deploys unprecedented brutality to try to break Ukraine's virtuous circle of dekleptification.

Strategic Context

For almost as long as Putin has been in power, he has tried to control Kyiv by covertly funding pro-Russian political parties and manipulative news platforms in Ukraine. It started back in 2004, when the Kremlin secretly arranged for Gazprom to enrich corrupt intermediaries such as Dmytro Firtash, an oligarch who—together with \$10 billion in loans from bankers close to Putin—reportedly funded the 2010 election bid of pro-Russian Ukrainian presidential contender Viktor Yanukovich, who went on to

win.⁶⁴ Russia has also used corruption to fund pro-Russian separatists in regions of the Donbas in eastern Ukraine, pay for online disinformation, and control half of Ukrainian television news channels through oligarchs such as Viktor Medvedchuk, Putin's top proxy in Ukraine who was also reportedly enriched by sweetheart deals from Moscow.⁶⁵

But by the time of Ukraine's 2019 presidential and parliamentary elections—five years into the window—Putin's corrupt gas scheme in Ukraine had diminished and the pro-Russian candidate it funded got less than 12 percent of the vote (although the pro-Russian party did win the second most amount of seats in the 2019 parliamentary election, enabling it to continue to delay and kill reform bills). Landslide victories by Volodymyr Zelenskyy in the presidential election and his upstart reform allies in parliamentary election sustained the window through a democratically legitimate transition and replenished the public mandate for dekleptification. Transatlantic resolve and bipartisan U.S. support for Ukraine—and its two-front war against Russia and corruption—persisted through political volatility in Western democracies.⁶⁶ Ukraine sanctioned Medvedchuk's close associates and forced their three pro-Russian news channels off the air on February 2, 2021, and then followed up by seizing assets owned by Medvedchuk and his family on February 19, 2021.⁶⁷ Less than two days later, the Russian military started building up on Ukraine's borders as an alternative means to subvert Ukrainian sovereignty now that funding political parties and manipulating television news with the proceeds of corruption had become less effective. Putin sees the effectiveness of Ukrainian dekleptification and democracy as grave threats to both his imperial ambitions and his kleptocratic authoritarianism at home, given that dekleptification could inspire the Russian people to reform their own social contract, close channels of strategic corruption flowing from Moscow to Kyiv, prepare Ukraine for integration into Euro-Atlantic institutions, and strengthen Ukraine's defensive capabilities.

Dekleptification makes a country and its fighting force stronger on several levels. In early 2014, Russia was able to take over most of the Ukrainian navy without firing a shot, partly by bribing Ukrainian sailors and commanders.⁶⁸ A separate example of corruption undermining a government's defenses was the Taliban's ability to walk into Kabul in August 2021 after having reportedly paid off rural leaders and government officials who did not want to fight for a corrupt regime.⁶⁹ The sides are flipped today in Russia's war on Ukraine, with the forces of kleptocracy struggling in their military invasion against a great power of dekleptification. Compared to 2014, Russian subversive activities in Ukraine are now less

⁶⁴ See Stephen Grey, et al., "[SPECIAL REPORT-Putin's allies channelled billions to Ukraine oligarch](#)," Reuters, November 26, 2014.

⁶⁵ See Josh Rudolph and Thomas Morley, [Covert Foreign Money: Financial Loopholes Exploited by Authoritarians to Fund Political Interference in Democracies](#) (Washington: The German Marshall Fund's Alliance for Securing Democracy, August 2020), pages 90-91 and 95-96.

⁶⁶ See Helsinki Commission staff, with Paul Massaro as lead author, [The Internal Enemy: A Helsinki Commission Staff Report on Corruption in Ukraine](#) (Washington: Helsinki Commission, October 2017).

⁶⁷ See Simon Schuster, "The Untold Story of the Ukraine Crisis," TIME, February 2, 2022.

⁶⁸ See Stuart Greer and Mykhaylo Shtekel, "[Ukraine's Navy: A Tale Of Betrayal, Loyalty, And Revival](#)," RFE/RL's Ukrainian Service, April 27, 2020.

⁶⁹ See Susannah George, "[Afghanistan's military collapse: Illicit deals and mass desertions](#)," The Washington Post, August 15, 2021.

effective, with bribe money for a coup d'état reportedly either stolen by Russian intelligence services or pocketed by Ukrainian targets who remained loyal.⁷⁰ Rampant corruption throughout the Russian armed forces appears to have devastatingly undermined the military modernization process underway since shortly after Russia's 2018 invasion of Georgia.⁷¹ But Ukraine's most powerful advantage over Russia is public confidence that the country is defending an open democracy worth fighting for, rather than taking orders from an authoritarian kleptocracy organized around prolonging the rule of thieves.

The heroism, courage, and morale of Ukrainians in the war against Russia is the ultimate evidence of a virtuous circle. It would not be possible without eight years of hard-fought work building the institutions of dekleptification. Ukraine had plenty of missteps and hard lessons along the way, and still has extensive work to do on corruption challenges that will take a generation or more to overcome. The approaches and lessons of this guide and case study will remain as important as ever for Ukraine as it sets out to safeguard from corruption the many billions of foreign aid that will have to be spent rebuilding the war-torn country. But while its domestic challenges are a long journey and the country continues to be a testing ground for all manner of Kremlin aggression, Ukrainians are also rightly proud of having built the world's boldest laboratory for approaches to combating corruption that exceed even Western standards.⁷² Ukrainian dekleptification is organized around three pillars that are mirrored by sections of this guide: civil society and media support, transparent mechanisms, and accountability institutions.⁷³

Pre-Window Support for Civil Society and Media

Before Ukraine's window opened in 2014, USAID was already the largest international donor to Ukrainian civil society.⁷⁴ A single program, the 2008-2016 Ukraine National Initiatives to Enhance Reforms (UNITER) project, supported 412 Ukrainian NGO campaigns representing a wide variety of citizens' interests such as democracy promotion, human rights, watchdog and monitoring functions, and policy advocacy.⁷⁵ UNITER awarded more subgrants dedicated to anti-corruption than those focused on

⁷⁰ See Irina Borogan and Andrei Soldatov, "[Putin Places Spies Under House Arrest](#)," CEPA, March 11, 2022; Iuliia Mendel, [Twitter post](#), March 27, 2022, 10:45 AM.

⁷¹ See OCCRP, "[A Most Reliable Ally: How Corruption in the Russian Military Could Save Ukraine](#)," CCBlog, April 13, 2022; Neil MacFarquhar, "[Russia Planned a Major Military Overhaul. Ukraine Shows the Result.](#)," The New York Times, May 16, 2022.

⁷² See Daria Kaleniuk and Olena Halushka, "[Why Ukraine's Fight Against Corruption Scares Russia](#)," Foreign Policy, December 17, 2021.

⁷³ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), pages 5-6.

⁷⁴ See Pact, [Ukraine National Initiatives to Enhance Reforms \(UNITER\) Final Performance Report](#) (Kyiv: December 2016), page ii.

⁷⁵ See Pact, [Ukraine National Initiatives to Enhance Reforms \(UNITER\) Final Performance Report](#) (Kyiv: December 2016), page 8.

any other topic, and brought the many disparate civic actors across Ukraine's civil society together in voicing concerns about kleptocracy.⁷⁶

Meanwhile, USAID's flagship 2011-2018 Ukrainian media project (U-Media) was a crucial supporter of press rights under Yanukovich's repressive rule.⁷⁷ U-Media awarded subgrants to watchdogs who monitor threats to journalists, advocates for a free media enabling environment, providers of legal aid for journalists, professional associations and institutes that build outlets' organizational capacity, and outlets that conduct investigative reporting. These partners played integral roles in supporting the investigative journalists behind the biggest pre-window corruption exposés, from Nashi Groshi's probes into public procurement to Ukrainska Pravda's investigation of Yanukovich's luxurious Mezhyhirya residence.

USAID's civil society partners dedicated to accountability—like Transparency International-Ukraine, the Anti-Corruption Action Center (AntAC), Center UA, the Media Law Institute, and others—would follow up on these investigative reports by going to court to challenge the deals and defend the journalists.⁷⁸ AntAC compiled dossiers on Western enablers who handled the money stolen by Yanukovich and his cronies and then traveled to those Western countries, connected with Ukrainian diaspora groups based there, and organized advocacy for sanctions and anti-money laundering enforcement actions.⁷⁹ When thugs hired by Yanukovich's party beat up two journalists, multiple U-Media partners worked with journalists to organize a Stop Censorship! movement that successfully pressured the government to prosecute the assailants and got the parliament to enact a press freedom law.⁸⁰ Several of USAID's partners worked on the CHESNO movement to advance a fair election process, which was inspired by a successful Romanian experience.⁸¹ The U.S. Embassy in Kyiv hosted TechCamp trainings to help civil society activists make full use of social media.⁸² State-INL also funded citizen groups and journalists who investigated grand corruption under Yanukovich.⁸³ All this civil society and media programming helped empower enthusiastic citizens trying to improve their own communities. When Yanukovich rejected a popular free trade agreement with the EU in favor of opaque dealings with Russia, an organic Ukrainian anti-corruption revolt ended up pressuring Yanukovich to flee to Russia in 2014, opening a historic window of opportunity for dekleptification reforms.

⁷⁶ See Pact, [Ukraine National Initiatives to Enhance Reforms \(UNITER\) Final Performance Report](#) (Kyiv: December 2016), pages 22-23.

⁷⁷ See Internews, [Ukraine Media Project \(U-Media\) | Annual Report](#) (Kyiv: December 2013).

⁷⁸ See USAID, [Media, Civil Society and Labor & Trade Union Development](#), Fact Sheet, January 2017.

⁷⁹ See Paul Niland and Daria Kaleniuk, "[Ukraine, Putin's Testing Ground](#)," Kremlin File (podcast), hosted by Olga Lautman and Monique Camarra, September 2, 2021, 12 minutes.

⁸⁰ See Internews, [Ukraine Media Project \(U-Media\) | Annual Report](#) (Kyiv: December 2013), pages 11, 33, and 76.

⁸¹ See Pact, [Ukraine National Initiatives to Enhance Reforms \(UNITER\) Final Performance Report](#) (Kyiv: December 2016), pages 9-10; Internews, [Ukraine Media Project \(U-Media\) | Annual Report](#) (Kyiv: December 2013), pages 18-19, 74, and 76.

⁸² See Christopher Smith, [Ukraine's Revolt, Russia's Revenge](#) (United States: Brookings Institution Press, 2022), pages 39-42 and 53-54.

⁸³ See The State Department, [INL Guide To Anticorruption Policy And Programming](#), Washington, D.C., June 2015, page 25.

At that point, the six years UNITER had spent convening civil society experts and supporting network nodes paid off handsomely. One UNITER-supported coalition, the Reanimation Package of Reforms, organized 150 Ukrainian experts into thematic working groups and pooled their policy proposals into a reform roadmap.⁸⁴ The power of so many NGOs speaking with one voice strongly legitimized the roadmap.⁸⁵ The coalition used the 2014 parliamentary election as an opportunity to get the eight main political blocs to endorse it and then continued advocating until more than 80 recommended laws were enacted.⁸⁶ As new specialized challenges arose, the working groups developed into permanent issue-based coalitions each united around roughly 20 NGOs.⁸⁷ The result of this focused policy advocacy has been a set of transparency and accountability reforms that offer a dekleptification model for other reformers in the region.

Transparency Mechanisms

The most novel contribution of the Ukrainian model of dekleptification has been radically expanding the degree to which the government collects and opens to the public an expansive array of electronic data sources about who owns what in the country and how state resources are spent.⁸⁸ This movement followed the pre-2014 years of watchdog probes and journalistic investigations into grand corruption invariably running into dead ends in the forms of anonymously owned shell companies, mansions with mysterious owners, obscure public procurement bulletins, politicians lying about their wealth, and banks turning a blind eye.⁸⁹ Between 2014 and 2016, several groundbreaking mechanisms shrunk the space for corruption:

- **Ownership registries:** Ukraine built state-of-the-art government databases revealing the ultimate beneficial owners of Ukrainian properties, vehicles, land, and legal entities. For example, the real estate registry became one of the most advanced in the world, with user-friendly two-way functionality to look up either who owns a property or what properties are owned by a person.⁹⁰ In 2015, Ukraine became the first country in the world to launch a public

⁸⁴ See Pact, [Ukraine National Initiatives to Enhance Reforms \(UNITER\) Final Performance Report](#) (Kyiv: December 2016), pages 10-11.

⁸⁵ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 8.

⁸⁶ See ["About Us,"](#) Reanimation Package of Reforms, accessed February 18, 2022.

⁸⁷ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 9.

⁸⁸ See Corruption Risk Forecast, [TransparencyIndex](#), a collaboration between CIPE, ACGC, and ERCAS, accessed June 14, 2022; Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 10-14.

⁸⁹ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 10.

⁹⁰ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), pages 10-11.

registry of beneficial owners behind corporate entities registered in the country.⁹¹ Whereas many EU countries either do not have public registries in place or keep them beyond paywalls, registration requirements, or cumbersome search parameters, Ukraine has made its beneficial ownership data easily accessible by making it available for bulk download through a dedicated API website, integrating the data into the Open Ownership register linking multiple countries (the first country to ever take this step), and enabling it to be combined with other source of data.⁹² USAID provided core funding to the organizations involved in this effort, as well as NGOs like AntAC and others that have undertaken evaluations of data quality, integrated the beneficial ownership data into datasets of politically exposed persons and asset declarations, and used the combination of data sources to conduct investigations into oligarchic business empires that have resulted in criminal charges.⁹³

- **Asset declarations:** As discussed in a previous text box, Ukrainian public officials must file annual electronic declarations of their income and assets that are sweeping in scope and strictly enforced. The National Agency on Corruption Prevention (NACP) was established to collect, verify, and publish the asset declarations. The idea is to catch and deter illicit enrichment by leaving corrupt figures who remain in public office only with options that could bring severe consequences: refuse to disclose, lie in disclosures, or submit to disclosures about ill-gotten wealth or income. Legal and enforcement loopholes related to any of these options would undermine the entire system, so the devil was in the details. The lack of options for corrupt officials fueled monumental resistance, including more than ten ultimately unsuccessful attempts to postpone the legislation, water it down, block the issuance of security clearance certificates, co-opt the NACP, and get the Constitutional Court to legalize illicit enrichment and false statements.⁹⁴ After the asset declaration regime was established, the NACP became a tool for political manipulation and persecution of opponents, while reform opponents enacted a law extending declarations to anti-corruption civil society activists. Throughout this constant struggle, USAID and other U.S. government partners engaged at all levels with Ukrainian government officials, lawmakers, local activists, and other donors. International donors often had to coordinate to reinforce each other's conditions and hold up loan processes until conditionality was met, often delaying loans for many months to prove to Kyiv that the international community would not allow them to fudge this reform. As soon as loans would get disbursed, donor leverage would decline and the Ukrainian government would backtrack, causing the U.S. Ambassador to insist on upright follow through in urgent meetings with all relevant officials, from the head of the NACP to the Office of the President. USAID listened to key reformers share concerns about declarations becoming a political weapon wielded by

⁹¹ See Anti-Corruption Action Center, [Beneficial owner: What is inside Ukrainian business register](#) (Kyiv: Anti-Corruption Action Center, August 2017).

⁹² See Alanna Markle, [Early impacts of public beneficial ownership registers: Ukraine](#), Open Ownership, February 1, 2022, pages 2-4.

⁹³ See Alanna Markle, [Early impacts of public beneficial ownership registers: Ukraine](#), Open Ownership, February 1, 2022, pages 8-14.

⁹⁴ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), pages 13-14.

government actors resisting reform, causing USAID to publicly withdraw its support for the NACP until new leadership was in place. The strongest leverage came from the EU-Ukraine visa free regime package. All this attention paid off with Ukraine developing one of the world's most comprehensive systems of asset declarations. AntAC says, "Among all transparency-related reforms which took place after the Revolution of Dignity, the system of electronic disclosure of assets and income of public officials is the most instrumental source of information to monitor the lifestyle of public officials."⁹⁵ The information submitted there serves as the basis for multiple journalistic and official anti-corruption investigations." White Collar Hundred—originally known for enlisting volunteers to painstakingly restore tens of thousands of shredded documents discovered at Yanukovich's Mezhyhirya mansion and elsewhere—created an integrated database of paper and electronic information about the income and property of public officials.

- **PEP databases:** Some Ukrainian exposure and prevention innovations are not built by the government per se, just based on official data. AntAC used machine-readable state databases, including the entities registry and asset declarations, to create and maintain the world's first-ever known national public database of politically exposed persons (PEPs).⁹⁶ AntAC's PEP database includes dossiers on some 50,000 PEPs, as well as their family members and close associates.⁹⁷ It also includes records on 32,000 of their affiliated legal entities. The website is used monthly by more than 100,000 unique users worldwide (mostly bank compliance officers), while dozens of financial institutions and world-known compliance companies have subscribed for machine-readable access to the PEP database.⁹⁸ Given that banks and other financial institutions need to conduct enhanced due diligence on PEPs and their source of funds, now that they have this easily accessible way to check whether a customer is affiliated with a Ukrainian political figure, it is much harder to launder the proceeds of corruption out of Ukraine.
- **Procurement:** Since the 2016 launch of the ProZorro ("transparency" in Ukrainian) electronic procurement system, Ukraine has had the world's most transparent system of public procurement.⁹⁹ ProZorro was developed through an unprecedented collaboration between businesses, the government, civil society, and international donors such as USAID. This one-stop platform for the entire Ukrainian government publicizes procurement solicitations, shares requests for proposals, and allows reverse auctions (in which prices are bid lower and lower). ProZorro has been accompanied by DoZorro ("watchdog" in Ukrainian), which was launched by Transparency International-Ukraine. DoZorro is a community of civic actors and public buyers who analyze state data, flag high-risk tenders and irregularities, and submit grievances to public

⁹⁵ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), pages 13.

⁹⁶ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 14.

⁹⁷ See Alanna Markle, [Early impacts of public beneficial ownership registers: Ukraine](#), Open Ownership, February 1, 2022, pages 8-14.

⁹⁸ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 14.

⁹⁹ See Institute for Development of Freedom of Information, [Transparent Public Procurement Rating](#), accessed June 14, 2022.

authorities. This system of award-winning transparency, competitiveness, harmonization with the EU, and cancellation of illegal tenders has successfully helped expand the universe of Ukrainian government vendors from 14,000 to 200,000, defund corrupt patronage networks, and save the Ukrainian government some \$6 billion since 2017. USAID has been deeply involved in support for ProZorro and DoZorro, with substantial programming dedicated to providing expertise about enabling laws and implementing decrees in the development process as well as ongoing support for hardware, software, and training.

- **Digital transformation, e-services, and open data:** A salient way to reduce opportunities for corruption and deliver tangible benefits to everyday citizens is to digitize state services. USAID's Transparency and Accountability in Public Administration and Services (TAPAS) activity, jointly funded by UKaid, and implemented by Eurasia Foundation, has partnered with the Ministry of Digital Transformation and other social and economic sector line ministries to launch 28 e-services in Ukraine.¹⁰⁰ These have simplified and digitized the processes of obtaining pandemic relief payments, unemployment benefits, disability certificates, fire safety certificates, vehicle registration and license plates, water usage permits, certain medical licenses, construction permits, and other government services.¹⁰¹ TAPAS also works with all 18 Ukrainian central government ministries and at least 35 large municipalities to make hundreds of government datasets publicly available. Importantly, supporting the digital transformation of Ukraine's historically most corrupt sectors has been an effective way for USAID to help reduce corruption during moments of low political will. When government support for hallmark anti-corruption reforms was lacking, USAID was able to support non-political, technical IT interventions, including e-Services, digital registries, and open data, which boosted public sector transparency and accountability, thus reducing corruption in public administration.
- **Decentralization:** One of Ukraine's most important governance reforms since 2014 has been to shift power and resources away from the old regional and local administrative system inherited from the Soviet Union. The usual challenge with decentralization is that it is hard to safeguard funds and exercise oversight over so many localities with deeply entrenched corruption. Instead, Ukraine innovated a mode of decentralization fit for dekleptification by creating new territorial governance units. Small local municipalities were merged into more transparent and accountable territorial units, which were allocated a higher share of tax revenues along with accompanying responsibilities such as education, health, and policing.¹⁰² Thus, decentralization reallocated resources and responsibilities toward local communities and away from legacy Soviet governance organs that were run as opaque fiefdoms controlled by oligarchs and mobsters through vast clientelistic networks. In addition to reducing opportunities for corruption and improving delivery of salient public services, decentralization deprives Russia of regional power centers in Ukraine that could be taken over like Simferopol, Donetsk, and Luhansk in 2014. This more transparent, accountable, participatory, sovereign, and secure

¹⁰⁰ See Eurasia Foundation, [Tackling Corruption through eGovernance in Ukraine](#) (Washington: May 2021).

¹⁰¹ See George Ingram, ["Fighting corruption in Ukraine: USAID's strategy,"](#) Brookings, October 31, 2019.

¹⁰² See Andreas Umland, ["How Ukraine's decentralisation makes the country more resilient and helps post-Soviet democratisation,"](#) New Eastern Europe, January 31, 2019.

system could serve as a model for other post-Soviet countries. USAID has funded several programs dedicated to supporting the entirety of Ukrainian society as it makes decentralization work throughout the country. This has included helping the federal government adopt and implement the enabling legislation based on local input, increasing the resources and capacity of territorial units to carry out their responsibilities, and increasing the involvement of local residents and NGOs in decision-making and oversight.¹⁰³ Decentralization has also highlighted the need for the international community to protect and network civil society in the ways described in this guide, as the old guard—which has much to lose from decentralization—has sometimes responded by attacking exposed local activists.¹⁰⁴

- **Sectoral integration:** USAID funded many programs that support open and accountable governance across the Ukrainian development sectors that were most egregiously exploited by Russian and Ukrainian oligarchs to enrich themselves and carry out strategic corruption. This sectorally targeted yet cross-cutting approach to identifying development objectives broke new ground for USAID, both in that corruption was named as an existential threat requiring an integrated response, and in that a third country (Russia) was named as a threat needing attention to achieve development results.¹⁰⁵ Anti-corruption efforts were elevated to a standalone development objective that each technical office should contribute toward achieving. From there, USAID-Ukraine was able to better coordinate anti-corruption work with offices beyond Democracy and Governance—to also include experts from USAID components ranging from Global Health to Economic Growth, Education and Environment—to further drive some truly impactful systemic reforms that also touched on the everyday lives of Ukrainians. Key sectoral integration initiatives included usage of ProZorro for pharmaceutical procurement, transparency in land market transactions, reforms to state-owned enterprises, checks on insider abuse and opaque dealings in the financial system, e-governance at the Ministry of Education, and a comprehensive enabling environment for transparent competition in the energy sector (from ending hidden energy subsidies and dependence upon Russia to vigorously reforming corporate governance at Ukrainian energy giant Naftogaz).¹⁰⁶ These essential dekleptification reforms were closely coordinated with other U.S. departments and agencies, Ukrainian civil society, and other international donors such as the IMF, the World Bank, the European Bank for Reconstruction and Development (EBRD), the European Investment Bank, and the EU.
- **Continued investments in civil society and media, who need protection:** Throughout Ukraine's window of opportunity, USAID continued to roll out a steady stream of new projects dedicated to civil society and media contributions to the dekleptification mission. Picking up where UNITER left off in 2016, USAID's Enhance Non-Governmental Actors and Grassroots Engagement (ENGAGE) project inspires greater local-led anti-corruption initiatives and provides stable, multi-year core funding to key USAID civil society partners fighting against corruption. Other new

¹⁰³ See Social Impact, [Ukraine Local Governance Project Whole-Of-Project Evaluation](#) (Arlington: August 2019).

¹⁰⁴ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 9.

¹⁰⁵ See USAID, [Country Development Cooperation Strategy—Ukraine, 2019-2024](#), January 2022.

¹⁰⁶ See USAID, [Fighting Corruption](#), Fact Sheet, January 2017.

projects improve the social and political environment for civil society, strengthen the civically relevant role of media in democratic processes, increase awareness and knowledge among Ukrainian media professionals to better understand and communicate facts about the Ukraine-EU Association Agreement, help expand citizens' access to quality information to counter malign influence and support European integration, and more.¹⁰⁷ But anti-corruption change agents need more than funding and technical advice, particularly in the context of dekleptification. Unlike anti-corruption in consolidated democracies—where corrupt officials can be peacefully voted out of office—kleptocrats and oligarchs often see dekleptification as a threat not only to their ill-gotten fortunes and business empires but also to their lives. Ever since around 2016, courageous Ukrainian anti-corruption activists have been targeted in a series of dangerous attacks.¹⁰⁸ The worst incident was the violent acid attack that ended up killing Kateryna Handzyuk, an activist who had exposed corruption in her hometown of Kherson. The home of Vitaliy Shabunin, the head of AntAC's executive board, was burned down by arsonists when his parents were in the house, and separately, explosives were later left outside his parents and in-laws' houses. Phone calls to USAID's partners have threatened them, their families, and their businesses. Other attacks have taken the form of smear campaigns, cyber attacks, vexatious lawsuits, unfounded criminal charges, and physical intimidation. These represent threats and attacks that are not only against specific individuals and their families, but also against the entire enterprise of a free world where societies can peacefully pursue their sovereign destinies without fear of bullies. As discussed previously in this guide, building out a stronger protective ecosystem for activists and journalists is a major objective of USAID's new Empowering Anti-Corruption Change Agents Program.

Independent Accountability

- Specialized anti-corruption institutions:** Drawing from Romania's experience, a top priority of Ukrainian reformers after the Revolution of Dignity was the establishment of politically independent agencies responsible for the complete rule-of-law process as it relates to grand corruption, including investigation, prosecution, specialized courts, asset recovery, and verification and administration of asset declarations.¹⁰⁹ USAID, State-INL, and U.S. law enforcement were actively involved in helping Ukraine establish its National Anti-Corruption Bureau (NABU), Specialized Anti-Corruption Prosecutor's Office (SAPO), National Agency on Corruption Prevention (NACP), High Anti-Corruption Court (HACC), Asset Recovery and Management Agency (ARMA), and other agencies.¹¹⁰ But the most important lesson from the Ukrainian experience is that establishing these agencies is only the beginning and their effective

¹⁰⁷ See USAID, [Our Work in Ukraine: Democracy, Human Rights and Governance](#), June 2022; USAID, [Our Work in Ukraine: Democracy, Human Rights and Governance](#), Archived Content: June 2012 to September 2017.

¹⁰⁸ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, Memo: Ukraine's Anti-corruption Theory of Change (Kyiv: Anti-Corruption Action Center, November 2021), page 9.

¹⁰⁹ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), pages 15-16.

¹¹⁰ See The State Department, [Ukraine Summary](#), 2022.

implementation depends greatly on the institution's leader. Until the point when the broader public understands and believes in these institutions sufficiently to form a resilient virtuous circle, political elites who are unwilling or hesitant to irreversibly change the corrupt system will need constant monitoring and swift pressure from the international donor community. USAID-Ukraine assembled a well-informed and rapidly responding network of highly capable partners—from local NGOs operating on their own initiative to U.S. contractors providing specialized awareness, analysis, lobbying, and other support—to safeguard the independence of these new anti-corruption institutions. These partners helped monitor and influence the whole cycle of institutional establishment and implementation: drafting legislation, advocating in parliament, participating in leadership selection, helping build capacity, warning about legal attacks, explaining the issues to the public, and otherwise working with the media and international partners to protect them from undue political influence.¹¹¹ An example of a positive result is NABU, which was established as an independent corruption investigative agency by a law enacted in October 2014, became operational in 2015 with the appointment of a director with integrity, received ample capacity development support from State-INL, and by the end of 2016 had hired a staff of 541 and sent more than 50 cases to court.¹¹² Ever since then, corrupt elements have relentlessly tried to remove NABU's director and undermine the agency's powers by advancing legislation (to limit its jurisdiction, cut its authorities in the criminal process, make it easier to fire the director without cause, expose it to political influence, etc.), use corrupt general prosecutors to flood NABU with thousands of cold cases, file groundless lawsuits against NABU's director, and wage disinformation campaigns (which NABU cannot respond to because they involve ongoing cases).¹¹³ These attacks only failed thanks to the day-to-day monitoring, vocal warnings, and quick interventions from USAID's partners, as well as active and powerful backup from Washington and the broader international community.¹¹⁴ There were other positive cases beyond NABU, such as SAPO, HACC, and the second composition of NACP, where successful institutional establishment and leadership selection often only happened because of strict international conditionality, such as the EU-Ukraine visa free regime package or IMF loans.¹¹⁵ But there were also less successful cases, such as ARMA, the Supreme Court, and the first composition of the NACP—implementation processes that generally did not get sufficient attention from civil society and the international community, causing serious setbacks in Ukrainian dekleptification.¹¹⁶ Seeing these uneven results and learning that the single most decisive factor is international involvement in

¹¹¹ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), pages 15-20.

¹¹² See NABU, [Report: August 2016 – February 2017](#), Kyiv, 2017.

¹¹³ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), pages 20-21.

¹¹⁴ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), pages 20-21.

¹¹⁵ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), pages 16-19.

¹¹⁶ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), pages 16-19.

leadership selection (given how dependent these independent institutions are upon the personality at the top and thus how easily they can be co-opted), USAID tailored new programming to flexibly direct support to whichever new Ukrainian government anti-corruption institutions need it most at any point in time (see text box). The person who feels the most threatened by these independent dekleptification agencies and the civic actors who support them may be Vladimir Putin, who took the time in his February 21 speech ahead of his unprovoked invasion of Ukraine to call out the key institutions by name (NABU, SAPO, HACC, and two judicial governance bodies) and air his grievances about their leadership selection processes and support from the United States and NGOs, betraying a granular degree of knowledge about Ukrainian dekleptification institutions that would certainly exceed that of the average Ukrainian citizen.¹¹⁷ There is no better evidence that these institutions are an essential battlefield in the struggle between kleptocracy and independent sovereignty in Ukraine and beyond.

Support to Anti-Corruption Champion Institutions (SACCI) project

In 2015 and 2016, activists and donors were so focused on establishing NABU and SAPO that there was insufficient monitoring of the process of selecting leadership for the NACP, which is responsible for setting anti-corruption policy and administering asset declarations. International organizations were only empowered to *observe* in the NACP leadership selection process—as opposed to the later HACC model of vetoing corrupt candidates—and NGO representation was hijacked by government-organized non-governmental organizations (GONGOs).¹¹⁸ The result was that only one of five selected commissioners was independent, and so the NACP was co-opted as a tool to persecute political opponents and sabotage reform efforts, causing the U.S. government to withdraw assistance from the NACP. At that point, in 2017, USAID/Ukraine established SACCI as its flagship five-year anti-corruption program, with a goal to “support anti-corruption champions” and the flexibility to figure out where those champions were throughout the duration of the project. When the NACP’s leadership model was reformed from a commission to an agency head, SACCI led multi-donor support for the selection process involving independent international and civil society experts on the selection commission.

The SACCI project builds the institutional capacity of Ukraine’s specialized anti-corruption bodies by conducting monitoring, advocacy, analysis, and communications in collaboration with other USAID-supported partners, often surging support toward

¹¹⁷ See Russian President Vladimir Putin, “[Address by the President of the Russian Federation](#),” The Kremlin, Moscow, February 21, 2022.

¹¹⁸ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine’s Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 18.

whatever leadership selection process or institutional initiative is most critical for Ukraine's dekleptification architecture. Since 2017, SACCI has supported the implementation of the asset declaration system, established Ukraine's (and Eastern Europe's) first anti-corruption master's degree program with a local university to build a cadre of anti-corruption experts to staff the new specialized anti-corruption institutions, helped launch the PolitData political finance reporting portal in partnership with IFES, and developed the NACP's cutting-edge whole-of-government unified whistleblower reporting portal, among other contributions. SACCI also brought new lessons, like how naming corruption so explicitly in a project title will make it a lightning rod that will be attacked by opponents of reform (a challenge avoided with other important USAID programs such as TAPAS).

Most recently, SACCI is demonstrating the importance of having flexible programming in place when national crises transform dekleptification needs. When Russia invaded Ukraine in February 2022, SACCI's project team leveraged its relationships with IT companies and the Ministry of Digitization to help specialized anti-corruption agencies such as ARMA and the NACP upload their data to the cloud and buy IT equipment so that they could secure their data and continue working outside of Kyiv. SACCI is helping the independent enforcement agencies develop authorities and capacities needed to pivot toward freezing and seizing Russian-owned assets in Ukraine. SACCI is similarly supporting Ukraine's anti-corruption civil society as it turns toward tabulating damaged infrastructure, advocating abroad for sanctions, tracing and seizing assets of sanctioned individuals, and assessing corruption risks related to reconstruction of Ukraine. Finally, SACCI is working with a network of reformers—spanning civil society and public institutions—to start developing a common approach to setting up the infrastructure to handle billions in rebuilding aid without it being diverted into corruption, ensuring transparency, integrity, and accountability of the overall process.

- **Judicial vetting:** Another lesson learned by Ukraine has been the risk of putting off for too long structural reforms to the bodies that govern the *ordinary* judicial system. In order to help Ukrainians produce impartial results quickly and avoid accusations of infringements upon sovereignty, between 2014 and 2019 the international donor community concentrated their conditionality on the establishment of the parallel system of *specialized* independent agencies dedicated to grand corruption, overlooking the long and hard work of top-down reforms to the regular court system. That approach turned out to endanger those independent agencies when corrupt officials used ordinary courts to file venal lawsuits meant to obstruct NABU investigations and SAPO prosecutions.¹¹⁹ The high-water mark for such tactics came in 2019, when corrupt officials got the Constitutional Court of Ukraine to decriminalize illicit

¹¹⁹ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 23.

enrichment.¹²⁰ That got the attention of reformers in Kyiv and internationally, who belatedly made high-level judicial reform their top priority. This has required extending an approach that worked well with HACC selections to also apply to processes of vetting candidates to lead Ukraine’s judicial governance bodies (which select and oversee ordinary Ukrainian judges). The problem is that until courts are deeply reformed to be truly free and independent of corrupt judges, rule-of-law programming and judicial standards that work fine elsewhere are inappropriate for dekleptification.¹²¹ Without proper safeguards, traditional rule-of-law assistance focused on technical capacity enhancements—training existing judges, providing codes of conduct, sharing software systems, paying for courtroom equipment, etc.—could inadvertently strengthen judicial tools that get abused for corrupt purposes. Another risk is that the Council of Europe’s traditional principle that candidates to be judges should be vetted by bodies of their *peers* is not an approach that works when many of those peers are corrupt.¹²² Instead, innovative Ukrainian laws require that judges who serve on the HACC are only selected by Ukrainian judicial governance bodies *after* the judicial candidates are vetted and approved by the Public Council of International Experts, which is comprised of six foreign experts with impeccable reputations, having been nominated by international organizations invited to do so by the Ukrainian government, including the Council of Europe, the EU, the European Anti-Fraud Office, the OECD, and the EBRD.¹²³ A Ukrainian judicial governance body provides these foreign experts with dossiers of candidates’ asset declarations and memos from NABU, which they can supplement from other documentary evidence and witness testimonies.¹²⁴ In addition to helping draft the laws, USAID and other international donors helped write rules and procedures, fund the work of the secretariats, and provide administrative and analytical assistance to the foreign experts.¹²⁵ If at least three of the six foreign experts have “reasonable doubt” about the integrity of a candidate, they can block their candidacy. Critically, the foreign experts have a decisive role with binding power, rather than a mere recommendation or observer status. To protect Ukrainian sovereignty, this novel approach to judicial vetting (authorized by Ukrainian law and compliant with Ukraine’s constitution) leaves it to purely *domestic* judicial governance bodies to decide which candidates to ultimately select from within the pool of high-integrity candidates vetted (and not vetoed) by the foreign experts. After a few years of mixed outcomes in Kyiv (with disappointments like the Supreme Court selections) and steadfast advocacy by Ukrainian reformers, the Council of Europe’s Venice Commission became open to these innovations,

¹²⁰ See Olena Halushka, Daria Kaleniuk, and Tetiana Shevchuk, [Memo: Ukraine's Anti-corruption Theory of Change](#) (Kyiv: Anti-Corruption Action Center, November 2021), page 21.

¹²¹ See Anti-Corruption Action Center, [Recommendations: Towards Ensuring Accountable And Independent Judicial Governance in Transitional Democracies](#) (Kyiv: June 2021).

¹²² See Rafał Mańko, [Council of Europe standards on judicial independence](#), European Parliamentary Research Service, May 2021, page 4.

¹²³ See Ivanna Kuz and Matthew Stephenson, [Ukraine's High Anti-Corruption Court](#), Bergen: U4 Anti-Corruption Resource Centre, Chr. Michelsen Institute (U4 Brief 2020:3), page 7.

¹²⁴ See Ivanna Kuz and Matthew Stephenson, [Ukraine's High Anti-Corruption Court](#), Bergen: U4 Anti-Corruption Resource Centre, Chr. Michelsen Institute (U4 Brief 2020:3), page 6.

¹²⁵ See David Vaughn and Olha Nikolaieva, [Launching an effective anti-corruption court: Lessons from Ukraine](#), Bergen: U4 Anti-Corruption Resource Centre, Chr. Michelsen Institute (U4 Brief 2021:1), page 12.

positively evaluating the HACC's approach to international involvement in judicial vetting as justified and consistent with European conceptions of national sovereignty.¹²⁶ Extending this approach to comprehensive reforms of the broader judicial system was a pledge made by President Volodymyr Zelenskyy in his 2019 election campaign, a condition of IMF lending, and a feature of both the EU-Ukraine macro-financial assistance agreement and the Ukrainian rule-of-law roadmap of the G7 Ambassadors Reform Support Group.¹²⁷ In 2021, Ukraine enacted laws applying the HACC approach (six-member vetting panels with three foreign experts who can block candidates on the basis of integrity) to Ukraine's two judicial governance bodies responsible for selecting, overseeing, and dismissing Ukrainian judges: the High Council of Justice and the High Qualification Commission of Judges.¹²⁸ These were the two judicial governance bodies that Putin named when criticizing judicial selection processes in his February 21 speech about Ukraine.¹²⁹ Again, Putin's attention to that degree of institutional detail suggests that he sees both geopolitical benefits to having corruptible judges in Ukraine and domestic political threats associated with Ukrainians proving that any country can build the rule of law.

- **Police reform:** In late 2014, just months after Ukraine's reviled Soviet-style police force shot and killed more than 100 protesters and Yanukovich fled the country, the new reformist government needed to start generating quick and salient results. So Ukraine granted citizenship to and hired the key Georgian officials who had successfully reformed the Georgian police force after the Rose Revolution, empowering them to similarly overhaul the Ukrainian police system. State-INL, DOJ-ICITAP, and other U.S. departments and international donors dedicated extensive funding, training, equipment, and technical assistance to Ukrainian police reform, which covered several major initiatives.¹³⁰ Ukraine quickly built a new 16,000-strong Patrol Police across 26 cities, hired almost exclusively from among educated, civic-minded, young Ukrainian speakers who had not previously served in law enforcement.¹³¹ Wearing uniforms donated by the United States and earning official salaries three times higher than Ukraine's militsiya (legacy police who made most of their money through corruption), the new officers were trained by international instructors at Ukraine's first Patrol Police Academy in Kyiv, which is currently expanding throughout the country. Existing police officers were subject to polygraph tests and investigations into their personal wealth, as well as a vetting process that included interviewing

¹²⁶ See Venice Commission, [Opinion no. 896/2017 On the Draft Law on Anti-Corruption Courts And on the Draft Law on Amendments to the Law on the Judicial System and the Status of Judges \(Concerning the Introduction Of Mandatory Specialisation of Judges on the Consideration of Corruption and Corruption-Related Offences\)](#) (CDL-AD(2017)020).

¹²⁷ See Olena Halushka and Tetiana Shevchuk, "[Ukraine takes a big step towards judicial reform](#)," Atlantic Council, July 18, 2021.

¹²⁸ See Olena Halushka and Tetiana Shevchuk, "[Ukraine takes a big step towards judicial reform](#)," Atlantic Council, July 18, 2021.

¹²⁹ See Russian President Vladimir Putin, "[Address by the President of the Russian Federation](#)," The Kremlin, Moscow, February 21, 2022.

¹³⁰ See The State Department, [Ukraine Summary](#), 2022.

¹³¹ See Masha Gessen, "[The Cops Who Would Save a Country](#)," Foreign Policy, September 8, 2015.

for their jobs before re-attestation commissions based in communities around the country and staffed by local anti-corruption and human rights activists.¹³² About 10 percent of the police force was fired. Separately, hundreds of community police forces were trained and assigned to the territorial units created in the decentralization process.¹³³ In just three years, the public perception of corruption in Ukraine's police force dropped from 90 percent down to 7 percent, making police reform one of Ukraine's most visible reforms since the Revolution of Dignity.

Conclusion: The Ukrainian Model

Dekleptification is not for the faint hearted. The world's most powerful kleptocrats and oligarchs fight back as if their lives and fortunes are on the line. Combatting kleptocracy requires unprecedented support before and during a historic window of opportunity, unprecedented reforms that show the world some big ideas never seen before, a vigilant network of partners monitoring day-to-day implementation, and concerted diplomatic pressure as corrupt elements endlessly try to thwart reforms. American leadership might even have to culminate in rallying the free world to stand by the country when it faces existential threats meant to restore the corrupt system by force. But if done well, dekleptification is not only the way to overthrow oppressive kleptocrats and pursue an independent destiny, but also to build a great power that soon grows fierce enough to stand its ground on the battlefield against a larger neighboring kleptocracy.

The Ukrainian model of dekleptification involves a dozen steps taken by USAID, its Ukrainian reform partners, and other development practitioners:

1. **Invest heavily in media and civil society before the window:** Fund, train, assist, connect, and otherwise support expansive networks of journalists, activists, lawyers, experts, and other enthusiastic citizens trying to free their communities from kleptocracy through courageous reporting, monitoring, oversight, advocacy, and other forms of civic participation.
2. **Lay the groundwork for a sweeping and radical roadmap of legislative reforms:** Cultivate civil society coalitions that can rapidly assemble a platform of dekleptification reforms incubated over the years by reform experts throughout the country (like the Reanimation Package of Reforms), as well as the advocacy infrastructure to get the roadmap endorsed and adopted as soon as the window opens.
3. **Support police reform to immediately begin showing the public results:** Bring in accomplished police reformers from similar front-line countries to build an entirely new force of street police—with new hires, academies, community policing systems, and more—and institute exacting re-attestation throughout the rest of the country's police system.

¹³² See Nick Pehlman, [When Ukraine Abolished the Police: Lessons for America](#), The Wilson Center's Kennan Institute, July 27, 2020.

¹³³ See The Justice Department, [Ukraine: ICITAP-Facilitated Police Reform Efforts Continue Expanding Beyond Urban Areas](#), December 9, 2019.

4. **Build the most transparent political-economic system in the world:** Innovate and institutionalize the world's first public beneficial ownership registry, most transparent public procurement system, most comprehensive and well-enforced asset declarations, first public database of politically exposed persons, and other cutting-edge digitalization—all with active collaboration across civil society, international donors, business leaders, government reformers, and other actors.
5. **Focus on the most corrupt sectors:** Together with a broad coalition of U.S. and international agencies, integrate sweeping anti-corruption overhauls into the economic and social sectors most abused by oligarchs to enrich themselves and fund political projects, such as energy, health, education, land, customs, finance, and regional/local governance.
6. **Stand up specialized anti-corruption institutions covering the whole rule-of-law process as it relates to grand corruption:** Authorize, establish, empower, fund, staff, train, safeguard, defend, and publicize a specialized independent judicial system comprised of an investigative bureau, prosecutor's office, high court, and other bodies with exclusive jurisdiction over cases of grand corruption. Simultaneously initiate reform of the ordinary courts.
7. **Innovate novel approaches to international involvement in the vetting of judges and the leadership of independent agencies:** Set up a legitimately sovereign system (authorized under domestic law and leaving final selections to domestic authorities) of inviting foreign experts with impeccable reputations to evaluate the integrity of candidates to become judges or leaders of specialized enforcement agencies, empowering these foreign experts to block candidates whose integrity they reasonably doubt.
8. **Concentrate informed rapid-response networks and flexible civil-society programming on new challenges that arise:** While continuing to support journalists and activists, assemble well-informed networks of highly capable NGOs, consultants, and new program partners dedicated to surging their monitoring, analysis, advocacy, lobbying, communications, and other work toward whatever parts of the new institutional architecture become most vulnerable to lackluster implementation or other dangers.
9. **Use international conditionality to continually pressure the government to fulfill its commitments:** Informed by the day-to-day monitoring of civil society and local insights from USAID, coordinate across the interagency and donor community to continually condition international benefits (IMF loans, U.S. loan guarantees, EU financial assistance, EU visa liberalization, etc.) upon delivery of concrete and durable milestones. Withholding loans until reforms are delivered will be necessary regularly.
10. **Be ready for corrupt elements at home and abroad to endlessly fight back with every trick in the book:** Build the local monitoring and diplomatic pressure tools (from NGOs like AntAC to platforms like @G7AmbReformUA) to rapidly and decisively respond when corrupt officials advance poison-pill legislation, file vexatious lawsuits, weaponize corrupt general prosecutors, block administrative processes, order physical or cyber attacks, propagate disinformation, and wield other subversive or menacing tactics against reformers.

11. **Stay the course through U.S. political transitions:** Amid volatility of the commitment U.S. administrations might hold toward democratic values and anti-corruption in Ukraine, insulate dekleptification efforts by integrating them into sectoral programs and new priorities, structuring long-term programming cycles, lashing up with reliable allies and multilateral bodies, and relying upon strong bipartisan support in Congress.
12. **Lead the free world to provide unprecedented support if a foreign kleptocracy invades :** Be prepared to rally the international community to the country's side with unprecedented military, humanitarian, and financial support in the event that a hostile foreign power makes the grave mistake of underestimating the fortitude of a country that is achieving a virtuous circle of dekleptification.

These lessons would be important for any Mission operating before or during a window of opportunity. But they will also remain as essential as ever in Ukraine itself as it embarks upon the journey of rebuilding its war-torn country. Billions in foreign assistance will need to be safeguarded from corrupt actors. Rather than letting rebuilding aid recapitalize old oligarchs or seed new ones, Ukraine has an opportunity to do far more than rebuild physical infrastructure. If the rebuilding process reprises the strategies that made the first eight years of this window so successful—strong civil society, well-informed political analysis, sweeping anti-corruption reforms, restructuring of key sectors, digitized transparency, independent enforcement, international involvement in leadership selection, strict international conditionality on funding, etc.—it offers the historic potential to fully de-oligarchize Ukraine, build a modern state unrecognizable from its Soviet legacy, realize the civic dreams of the Revolution of Dignity, maintain broad societal cohesion within Ukraine, provide Western societies with a cause worth rallying around, initiate a historic inbound flow of private investment, teach the world new lessons in fields like urban planning, and inspire people everywhere to relegate kleptocracy to the dustbin of history.